THE ROLE OF TRADE UNIONS IN DEVELOPING COUNTRIES WITH ESPECIAL REFERENCE TO PAKISTAN, INDIA AND NIGERIA

Inaugural-Dissertation
zur
Erlangung des Doktorgrades der Wirtschaftswissenschaft
(Dr. rer. pol.)
des
Fachbereichs 10 — Wirtschaftswissenschaft —
der
Freien Universität Berlin

vorgelegt von
Chaudhry Abdul Hafeez
M. A. Economics
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Dedicated
to my father

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0. Introduction

Trade unions are not only protecting the working class but also improving the standard of living of society as a whole.

This study has been provoked by the observation that various trade union movements differ in their features with the degree of industrialization and socio-economic development of each country, with the ideas which the working classes and the political forces have embodied and many other factors which make for differing national environments.

Trade unions have existed for several decades to represent the workers in India, Pakistan and Nigeria. The question often has been asked, what have the unions contributed to the national development and for the betterment of the working people in these developing countries? An attempt has been made through a close study of the labour organizations, their operation and performance, to get an answer to the above question, and also why unions are not developed, and why they are an undemocratic institution in these developing countries. This will enable us to suggest a few alternative policy measures for the unions in these three countries. It will also show who the labour leaders are, and why workers are attached to their leaders rather than to their unions. In this respect, a close study of the labour conditions, along with industrial relations, labour legislation, social activities and government labour policies since independence is important.

All three countries under discussion have their individual and unique positions in the developing world. In working out a strategy for the role of the union in the developing countries, the experience based on case studies concerning the major problems such as the structure of the organizational functions and the activities of the trade unions, the lack of competent labour market surplus labour etc. can be helpful.

These countries basically need an improvement of the investment potential of the material and human resources for economic growth and natural development. Besides, as these

countries are based on agriculture, this sector needs a modernization of the prevailing social and economic legislation.

India as well as Pakistan were parts of former British India, while Nigeria was the largest British colony in West Africa before its independence in 1960. The administrative, legal and educational system and the colonial rule were more or less similar in these three countries.

India with her rapidly growing population and the extremely low per capita income has adopted a constitutional democracy for nearly three decades, is one of the few countries that have a fairly well developed trade union movement which has found it possible to adjust and adapt itself to the changing problems of a developing economy.

Nigeria with her size and her specific style is a special case. There is a growing Nigerian influence in Africa and in the developing world on the one hand, and on the other Nigeria's internal instability has blocked its development and created labour problems.

Pakistan was especially created on the basis of an Islamic ideology, culture and tradition. She was an exceptional case in that she was made of two widely separated geographical parts. Internal socio-political and economic instabilities have caused the breakaway of the eastern part at the end of 1971. Pakistan also assumed an authoritarian power structure, which has blocked her development and has shown low interest in solving the problems of the working population.

Trade unions have been understood to represent a wide variety of organizations with differing objectives, methods, strategies, traditions and structures, which shows that the growth and character of the union is influenced by many factors, such as the composition of its membership, the calibre of its leadership. In addition to this, the behaviour of unions as a social phenomenon is basically conditioned by traditions, socio-political institutions, laws

and level of economic activities, all of which often vary from country to country. That is why trade unions differ in their economic, social and political activities.

In our time trade unions can be regarded as a symbol of democracy and of a modern political system. But it is a fact that it is rather difficult to maintain democracy in developing countries without continuous achievement of a satisfactory rate of economic growth and improvement in the standard of living of the wage earners. Only a workable political and economic system accepting the principle of plural society could lead to structural changes in these countries.

In the sphere of industrial relations, the responsibility lies with the government, and the obstacles may be remedied by better labour legislation, attaining of industrial peace through collective bargaining, more effective implementation of policies and by refashioning the institutions through which labour is represented to make them more efficient and effective.

Studies of trade unionism in developing countries so far have been concerned mainly with the legal and political aspects of the subject, and trade unions in developing countries have been largely treated as if they were essentially the same as those in industrially developed countries of the West.

We uphold the view that the evolutionary progress of the developing societies in the context of their contemporary social, economic and political situation lies mostly on the basis of enduring understanding between labour, capital and the state. Any future prospect for progress lies in the success of their socio-economic development, which can only emerge if there is a positive and cooperative relationship between all three factors.

In our study an effort has been made to throw some light on the outstanding historical landmarks of the trade union movement in these countries and to observe the main successive tendencies which played their part in moulding

the character of the movement. The structure of present day unionism can be understood only in terms of its historical development, in terms of the aspirations and the fears of ordinary people with their endeavours and their struggle.

The impact of government labour policy is not uniformly felt in different centres of the trade union movements. The heterogenity of the latter in these countries has been sufficient to diffuse the impact. Moreover, it tends to evoke conflicting responses as different political centres seek to defend or advance their respective interests in the light of policy.

As long as there is uncertainty about probable reactions to each other's behaviour, there is little hope of a constructive relationship on a durable basis between the different interest groups.

These discrepancies between definitions and realities indicate that the rise of modern society and social welfare state is accompanied by changes in the structure and functions of trade unions.

The study is divided into five parts:

Chapter I deals with the concept, origin and theories of the trade unions.

Chapter II deals with historical aspects and the development of the workers' organizations in the colonial regime. A brief survey of the historical development has been used to analyse the socio-political configuration in the light of the process of decolonizations.

Chapter III is a case study of three different countries, Pakistan, India and Nigeria, with respect to their working force, labour legislation, industrial relation system, government labour policies, labour leadership, and trade unions' political and socio-economic activities.

In Chapter IV a comparison has been made to work out the similarities and differences with regard to the economic system, the living and working conditions of the workers,

labour legislation and the degree of industrialization.

In Chapter V a general study has been made in the light of experience from the trade union activities especially from the point of the problem of development. The results of the findings have been discussed along with the alternative suggestions that ought to be fulfilled if trade unions have to play an effective role in order to contribute to socio-economic and national development.

The Selection of Theories

The subject matter of this study is not to develop a new theory, but to search for a workable trade union role from the past experience and achievement in all three (ex-British colonies) and developing countries, Pakistan, India and Nigeria.

The main justifications for the selection of these theories of Hoxey, Commons, Laski, and especially Webbs are as following:

a) Their theories are especially relevant to our subject matter because they grew up in the wake of the great industrial revolution. Therefore they were basically aware of the transfer of dominance from the agricultural commercial economy to that of the powerful industrial state. That is why these classical theories are more interesting for the industrial and economic development of these countries rather than the modern theories of trade unionism.
b) The interests of these theoreticians were not only in economic reforms, and their impact is far beyond the direct improvement of the working conditions of wage earners and the support of trade unionism, namely to democratize gradually the whole society through collective bargaining and trade unions' participation and the effect of the trade union on the production and distribution of wealth in order to achieve better social and industrial relations.

c) These theoreticians contributed towards achieving social and material progress in which they advocated strongly the representation of various economic and social groups in order to influence the relation of production, which were the legal consequences of the system of ownership and free competition, and to reduce social conflict.
d) Webbs' theory about the trade union movement could be accepted as a working hypothesis especially because in the early 20th century a beginning of the trade union movement was made with protective labour legislation in these colonial territories while the initiatives behind this labour legislation came from the British colonial regime generally based on British Common Law.

In this respect, an evolution of Webbs' doctrin in the light of philosophy of guild socialism, there is a strong economic base for union activities and a gradual consideration of the increasing role of the unionism in this stage through legislative processes. That is why it is possible to put together a fairly workable hypothesis about the trade union function from the work of Webbs. What they observed from the history of trade unionism because of their influence upon the colonial administration, especially through the labour party and the trade union movement in the colonial territories (India, Pakistan and Nigeria) was immensely important, and in general their impact upon the social and economic evolution in the early 20th century was very powerful.

It should be noted that their economic interests were mostly concentrated in the field of industrialization, accumulation of capital, distribution of income, economic growth in national wealth and production and to study institutions and social organizations. And it is a common fact that the knowledge about the social institutions and their organizations and their distinctive behaviour in different countries is more important in order to analyse why developing countries of today are not making social and

economic progress at the same speed as developed countries in the 19th century. Therefore it is also important to investigate in the light of these theories and experiences under what circumstances these social institutions and trade unions were created and to know whether such institutions are fashioned in such a way as to facilitate further progress; or if they are selfarresting and created in a way to resist societal progress. The answer required is to analyse historically the functions and structures of trade unions, in order to know what it is becoming under the influence of forces which are currently at work within it, and or which impinge upon it.

1. Toward a theoretical Basis of Trade Unions

1.1. The Concept of Trade Union

The essence of the concept of Trade Union is solely the welfare of its members. Trade Unions are organized so as to achieve the best possible standard of living and working concitions, with regard to wages, hours of work, health, safety, and comfort of the workers. This results in the stability of employment and regular output.

Organized labour in the form of Trade Unions means that "workers who are organized first into an informal group, and then into a formal organization developing in due course of time, a permanent basis of organization, conventions or rules, and norms of behaviour and like any going institution a set of rationalization, which may be called its ideology or goal."[1)]

The effort of defining 'Trade Union' would always be fraught with difficulties, since there cannot be any unanimity as regards goals and methods and even origin of the trade unions. Nevertheless a very common definition of Trade Union is "the association of wage workers for the protection and improvement of the standard of life."[2)] According to this definition the role of trade unions is undermined and the scope of the subject has been very limited. In a modern society, trade unions are not only the protectorate, but it also has taken over the responsibility to improve the economic and social interest on a democratic basis in society as a whole.

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1. Phelps, O.W., Introduction to Labour Economics, (New York, Macgrow Hill Book Company, Inc. 1961), p. 357.
2. Cole, G.D.H., A Short History of the British Working Class Movement 1789-1947. (1948), p. 6.

1.1.1. Difference between Labour Movement and Trade Unions

The term 'Labour Movement' is used to "designate all of the organized activity of wage-earners to better their conditions either immediately or in the more or less distant future."[1] By its very nature the word 'movement' explains a dynamic process having its origin, growth and progress propelled by changes in the structure of relations.

The labour movement in a wider concept comprises the Trade Union movement as one of its important aspects. The labour movement has many dimensions, as for example Marry describes it: "the outward and visible signs of this movement are trade unions, national federations, strikes, boycott, lockouts, labour leaders, labour conferences and programmes, labour and socialist parties, labour lobbies in legislation, injunctions, legal bettles, prosecutions, co-operative societies, labour colleges and educational experiments."[2]

If the free wage-earners organize into a group to make a protest against the working conditions and wages but fail to maintain their group or organization in a continous form, it is called labour movement. But if the wage earners carry on their group or association for future protest and protection for their demands in a capitalistic system that is to be referred to as the Trade Union Movement.

In other words, under the label of labour movement organizations of the free wage earners for the redress of their grievances are of ad hoc nature, while under the trade union movement they are of little permanent nature.

The labour movement "implies in some degree a community

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1. Common, J.R., An Article on Labour Movement, in: Encyclopaedia of Social Sciences, vol. 7-8, 1957, p. 662, (New York 1950).
2. Marry, R.B., The American Labour Movement, quoted by Sharma, G.K., in: Labour Movement in India, (Jullunder, Delhi, Ambala, University Publishers, 1963), pp. 2-3.

of outlook. It is an organization or rather, many forms of organization, based upon sense of common status and a need of mutual help."[1] In contrast to labour movement trade unions are only known as the most universal and spontaneous form of it. They are in the sense a "continous association of wage earners."[2]

In general, if from one period to another the link is maintained in the organization of workers who stand for the struggle of their wages and standard of living improvement, it is to be called Trade Union Movement. If there is no contact between the present and the past organization of labour, whatever the cause may be, it is to be referred to as the labour movement.

1.1.2. Origin of Trade Union Movement

"The original organizer of the Trade Union Movement is the shop, the factory, the mine and the industry."[3] Marx and the British Fabian socialists Sidney and Beatrice Webb are of the opinion that the separation of classes is the origin of the Trade Unions, while others have argued that trade unions are the products of industrialization. This is a point of controversy between the economists. It is generally claimed that the Trade Union Movement works more as a protest in the capitalist system and more as a participant in the socialistic system. There are differences among scholars who believe that the Trade Union Movement started before significant technical changes had taken place in the conditions of industry, and among those who believe that the trade union was the product of a 'factory system'. The former views were supported by Webbs and J.R. Commons, whereas

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1. Cole, G.D.H., A Short History of the British Working Class Movement, op.cit., pp. 3-4.
2. Sidney and Beatrice Webb, The History of Trade Unionism, (London, Longmans Green & Co., 1950), p. 1.
3. Tannenbaum, F., A Philosophy of Labour, (New York: Alfred K. Knopf, 1952), p. 60.

the latter were developed after the industrial revolution, when the merchant capitalism changed into industrial capitalism.

Carl Landauer describes that "labour organizations to be sure existed even in the middle ages, but only in a clandestine manner or under camouflage, and as long as they could not operate openly, they had to be kept small and could be effective only in a few places."[1)]

The origin of trade unions in developing countries were not the result of workers' initiatives, and they could not have been in the given economic and political environment in which they emerged. In general they are not formed by the workers, but mostly by the political parties, governments and intellectuals. The Europeans, especially in the colonial territory, have also played a part to establish them as elements of local control. These are the general speculations which need investigation in the past history.

1.2. The Scope of Trade Unions in Developing Countries

The scope of Trade Unions is very wide, unlimited as well as important, especially in developing countries. In a wide sense trade unions are understood to be institutions which represent the economic, social and cultural interests of the individuals in particular and they generally stand for constant improvement on a democratic basis of the economic and social position of society as a whole.

As in most cases trade unions in developing countries are existing in the midst of poverty, illiteracy, and political and economic instability, the scope of the subject is

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1. Landauer, C., European Socialism, vol. 1 (Berkeley, University of California Press, 1959), p. 72.

therefore different and varied as compared to developed countries.

Trade unions have a wide scope. If we study their role purely in the socio-economic sense, the contribution of organized labour to industrialization is found to be most important. The experience of the industrialized nations shows that the considerable share in development comes from the improved conditions of the quality and quantity of the working force. The future of most developing countries lies in the success of their socio-economic development and efficient industrialization. The stable working force and their organization, a general improvement of their skills, abilities and health are fundamental needs in order to develop the modern industrial sector.

Trade unions can aid the process of economic development as a whole and industrial development in particular by removing the hindrance in a number of means: they help in recruiting the working force; with the help of trade unions the working force becomes committed to industrial life; the existence of trade unions enables industrial disputes to be settled in a rational rather than an erratic and chaotic manner, as the situation is in most developing countries.

Trade unions are a part of the 'modern' as opposed to the traditional society which helps social adjustment.[1)]

Trade unions can be regarded as symbols of democracy and a modern political system[2)], providing a political and economic stability and good industrial relations which accumulate the development process in the developing countries.

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1. Fisher, P., The Role of the Unions in Less Developed Areas, in: Labour Review Monthly, Sept. 1961, p. 5.
2. Windmuller, J.P., Industrial and Labour Relations Review, July 1963, p. 560.

In the absence of strong trade unions it is rather difficult to maintain democracy without the continuous achievement of a satisfactory rate of economic growth and improvement in the standard of living of the working population.

The extent of trade union influence depends on its strength and cohesion, and on many other external factors which determine the union's bargaining positions. The situation of the trade unions in developing countries, however, is very critical and far from strong and cohesive.

It is also within the scope of the trade unions to keep an eye on economic and political policies of the government which may directly or indirectly affect the livelihood of the workers and therefore the unions try to affect those decisions through strikes, demonstrations and sometimes militant actions.

If trade unions concentrate on such problems as higher real wages, shorter hours of work, and better working conditions, this would lead toward better housing, more educational facilities, and proper health and social securities. The unions could influence the state economic and political policies, depending on how they set the plans to achieve their objectives.

1.3. Theories of Trade Unions

There are different theories about trade unions. Some of them stress the ultimate aims while others attempt to explain its growth and origin. There are some authors who emphasize the ultimate trends and basic reforms and others who attach more importance to the winning of immediate gains. In our time, trade union theories generally have centered upon the attempted explanation of the origin and function of labour organizations, rather than on the body of organization, who speaks for the workers. For the sake of simplicity we may divide these theories into two groups:

1. The general axiomatic proposition from which one deduces conclusions.

2. The formulation of explanatory hypotheses by which empirical data can be tested.
All revolutionary and marxist theory of trade unions represents the first group, while the theories of Webbs, Hoxie, Commons and Laski are based upon the hypotheses by which one studies the functioning of labour organization and theories essentially as a means of testing empirical data.

The purpose of this study is mainly to analyse the function and structure of the labour organizations with empirical data and to search out the role of the trade unions and a strategy which could lead to economic development and social progress in society as a whole.

Marx' Class Struggle Theory

Marx includes all political, social and economic groups which claim to speak for labourers. He looks upon trade unions as a class organization whose chief function is to act as schools and organizing centres for the working class, as he expressed it a class struggle.

According to Marx in every society where capitalistic order exists "two very different kinds of commodities possessors must come from face to face into contact. On the one hand the owners of money, the means of production, means of subsistence, who are eager to increase the sum of value they possess by buying other peoples' labour power, on the other hand the free labours, the sellers of their own labour power. The first named as the class of the bourgeoisie, while the second named as the class of the proletariat."[1)]

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1. Marx, K., Capital, Vol. I. (New York: The Modern Library, n.d.), pp. 785-787.

In the sense of this theory the growth of trade unionism started after the industrial revolution; when machines started being used for the production of commodities, the concentration of the free labours under one roof developed on a larger scale. Their daily gathering under the same roof automatically started bringing them closer and closer. Their common interest, the maintenance of wages, united them in a common thought of resistance combination.[1] The Marxist labour theory of class struggle assumed that with the development of industry the proletariat not only increases in number but also in strength, which led the workers to form permanent associations against the dominating bourgeoisie in order to represent and protect their class interest.[2]

According to Marx' standpoint, the real fruit of their battle does not lie in the immediate result but in the ever expanding union of the workers. He further stressed that after the birth of the unions their struggle remains confined not only to the economic plan but also enters the political arena. In fact, Marx claims that every class struggle is a political struggle.[3]

Marx further points out that in the militant stage of the working class its economic movement and its political action are indissolubly united. He further stressed that the unions should not adopt the conservative motto: "A fair day's wages for a fair day's work", rather they ought to inscribe on their banners the revolutionary watch-word: "Abolition of the wage system."[4]

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1. Marx, K., The Poverty of Philosophy, (New York: International Publishers), cited in A. Lozovsky, Marx and the Trade Union, (Calcutta: Radical Book Club, 1944), p. 24.
2. Marx, K., Engels, F., Manifesto of the Communist Party, (Moscow: Foreign Language Publishing House, n.d.), pp. 60-62.
3. Ibid.
4. Marx, K., Value, Price and Profit, p. 61, cited in Arthur D. Butler, Labour Economics and Institutions, (New York: The Macmillan Co., 1961), p. 144.

To sum it up, there are three fundamentals of the Marxist theory:

1. The trade unions are inevitably brought into being by the industrial setup ushered in capitalism.
2. The workers have to conduct their class struggle not only on the economic front but also on the political front along with other exploited people for the abolishing of the very system of capitalism.
3. More impetus from outside, as well on the intellectual as on the political part, is to be added to the political struggle of the workers.

According to Marx the fundamental basis of these classes is mainly the opposition of economic interest, the outcome of private ownership. In the development of society these warring classes have been reduced practically to two, the bourgeoisie, owners of the means of production, profit-takers, exploiters, and the proletariat, practically propertyless, wage-workers and exploited people.

The Marxist view is a very monistic interpretation of the class society in which these two classes are in permanent conflict. It did not represent a complete picture of society. There are several other theories, according to which the social conflict among different social classes is the temporary outcome of insignificant social interaction, knowledge and understanding. These theories claim that "as science increases the knowledge of social facts, forces and relationships as democracy, especially through universal education, develops, and particularly as the practice of industrial democracy, especially through collective bargaining, spreads, they involve a common social viewpoint, and a real social will of the people, destined to do away with classes and class-conflict and to substitute in their place social justice and social harmony in the pursuit of general well-being."[1)]

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1. Hoxie, R.F., Trade Unionism in the United States, (New York: Russell & Russell, repr. 1966),p. 367. (First issue 1923).

The Views of Sidney and Beatrice Webb

In contrast to Marx' concept of trade unions and class struggle, the Fabian socialists Sidney and Beatrice Webb explain that it is not the function of the trade unions to overthrow the very system of capitalism through violence but to reform it gradually.

According to their theory, "the objective and the purpose of trade unionism organized vocationally and professionally and politically, is not mere increase of wages or reduction of hours but it comprises nothing less than a reconstruction of society."[1)]

Economically speaking it is not only the purpose of trade unions to improve the position of a particular section of society, but it has the function to improve the permanent efficiency of the whole nation.[2)] In other words, trade unions have two goals, so-called short-run and long-run goals. The short-run goals are in the day-to-day struggle for maintaining wage and the reduction of hours of work, while in the long-run goal the main function of trade unions is the reconstruction of society.

The Webbs claim that all social institutions (trade unions) are the natural genera and species of communal life. Therefore it is important to study their dynamic history, the functions which they have performed and might perform in the form or structure that they had taken, which could help us to form a desired society as they believed that the scientific planning of social life, the adoptation of the structure of social institutions are the main instruments required in order to efficiently run the whole machinery of society.

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1. Webb, S.a.B., The History of Trade Unionism, (London, 1894, Augustus M. Kelley Publishers, New York 1965), p. 717.
2. Webb, S.a.B., Industrial Democracy, (London: Longmans, Green & Co. 1902), see p. 703.

According to the Webbs, the significance of social structure and the functioning of trade unions can be understood only by direct systematic and laborous investigation of the actual union behaviour, past as well as contemporary, because the quality of any society has to be measured by assessing not merely its theoretical perfection but its practical success. They explained that the union behaviour was based upon an exhausted examination of the practice of labour organizations, and the unionists with all their multiplicity of regulation, rely only on two expedients:

1. The device of the common rule, and
2. the device of the restriction of number.

This interpretation of trade unionism has a strong economic base for union activities and a gradual consideration of the increasing role of unionism in the state to the legislative processes.

Sidney and Beatrice Webb further explain: "Trade Union's Methods and Regulations are found to promote the selection of the most efficient factors of production (---) if they tend to a better organization of these factors, increased activities, and improve the characters of both brain and manual workers, (---) then, in spite of any apparent contraction of the personal power of the capitalist class, they will be approved by the economists as standing to heighten the faculties and enlarge the enjoyments of the community as a whole."[1)]

According to the Webbs, "it is the heggling of the market which under a free competition and industrial bargaining determines the condition of employment, occurs in a chain of bargains linking together the manual worker, the capitalist employer, the wholesale traders, the shopkeeper and

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1. Webb, S. a. B., Industrial Democracy, op.cit., p. 703.

the customer."[1] Since any success in the heggling of the market mainly is determined by the knowledge of the market and the eagerness of the parties (employers and employed) to come to turn, it is clear that the isolated worker with his essential economic weakness and lack of knowledge about the market situation is not able to bargain successfully. Therefore, trade unions were formed by the wage earners to push back any pressure by the employers to lower their wages and working conditions.

In other words, in their own interest, this struggle that the wage earners should conduct against the employers would base on three assumptions:

1. the doctrin of vested interest;
2. the doctrin of supply and demand;
3. the doctrin of living-wages.[2]

The methods by which trade unions seek to attain these ends against the capitalist employers are

1. the method of mutual insurance;
2. the method of collective bargaining, and
3. the method of legal enactment.[3]

Though by its machinery for industrial diplomacy the trade union method of collective bargaining may be reduced to a minimum, according to the Webbs the occasions of industrial war can never altogether prevent its occurrence.

The use by the trade unions of the method of legal enactment has the great economic merit of avoiding all the waste and friction that we have been describing. Whatever may be the result of a new industrial legislation, it is not bought at the cost of a strike or a lock-out. Although

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1. Webb, S. a. B., Industrial Democracy, op.cit. p. 654.
2. Ibid., p. 562.
3. Ibid.

the basic fundamentals of trade unionism as a philosophy of class conflict are found in the theory of Sidney and Beatrice Webb, they opposed the revolutionary method and supported the views of parlamentary methods through trade unions in order to reform class society.

The Views of Hoxie

According to Hoxie, any fruitful understanding of any social movement (trade union) not only depends upon a knowledge of the features peculiar to it, but also upon their ability to relate these features to social phenomena of a more general character, to disentangle the relevant circumstances out of which the particular movement arose.

Hoxie claims that a difference in structure and function of unions reflects differences in the psychology of their members, as he believes that the trade unions grew out of the "social-psychological environment of the workers", who "similarly situated economically and socially, closely associated and not too divergent in temperament and training, will tend to develop a common interpretation of the social situation and a common solution of the problem of living."[1)]

Hoxie's approach to the subject is a genetic one. Seen from this point of view, a union is not so much an outward-organization as a like-minded group, but a conscience of common needs and aims, a common outlook on life and a common program for the betterment of their lot.

Hoxie focused his attention upon the union's functioning and the habits of thought which determine union policy. According to him, unionism is not a single social movement,

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1. Hoxie, R.F., Trade Unionism in the United States, op.cit., see p. 58.

but an imperfect fusion of several workers' organizations.

He classified the trade unions according to their functions into four different categories:

1. Business Unionism: essentially trade conscious rather than class conscious, which is likely to limit its membership by means of the apprenticeship-system and a high initiation, fees and dues to the more skilled workers in craft or industry.
2. The friendly or uplift unionism: aspires chiefly to elevate the moral, intellectual and social lives of the workers.
3. Revolutionary unionism: extremely radical both in viewpoint and in action. It is distinctly class-conscious rather than trade-conscious.
4. Pre-datory unionism has ruthless pursuits of the thing in hand by whatever means seem most appropriate at the time, regardless of ethical and legal codes or effect upon those outside its own membership.

Hoxie further divided unionism structurally into following main forms of organization; each of them represented by series of territorial or industrial units like

1. the craft unions;
2. the trade unions;
3. the compound craft unions;
4. the quasi industrial unions;
5. the industrial unions, and
6. the labour unions.[1)]

According to Hoxie, unionism has always been analyzed on the structural level, although what is more relevant, basically in their social relationship as ends to be striven for, seems not to be the forms of organization but the

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1. Hoxie, R.F., Trade Unionism in the United States, op.cit., see p. 53.

standard of living. His claim is that Unionism primarily is "a group interpretation of the social situation in which the workers find themselves, and a remedial program in the form of aims, policies and methods." Its essential aspect or expression is functional, its structure or genetic expression is secundary.[1)]

It is Hoxie's conviction that there is no single labour movement which has progressively adapted itself to a progressive change of circumstances, and that there is no definite set of postulates which can be spoken of as the philosophy of unionism. Rather there are contemporary relatively stable union types, functional and structural, the outcome of permanent differences in the temperament and situation of different groups of wage-workers.

In short, according to Hoxie, unionism requires an interpretation not in monistic, but in dualistic or pluralistic terms.

The Views of John R. Commons

Commons expresses the opinion that "as long as the wage earning class accepts the existing order and merely attempts to secure wage bargains, its goal must eventually be some form of the trade agreement which recognizes the equal bargaining rights of the organized employers. Its unions are not class conscious in the revolutionary sense of socialism but wage conscious in the sense of separation from but partnership with the employing class."[2)]

Commons claims that "labour movement is a reflection in

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1. Hoxie, R.F., Trade Unionism in the United States, op. cit., see p. 60.
2. Phelps, O.W., Introduction to Labor Economics, (New York, MacGrow Hill Book Co., Inc. 1961), p. 319.

the sense of reaction and a protest against capitalism."[1] In contrast to the class theory he supported the view that the wage earners cannot wait upon a reorganization of society or upon political action for jobs and food. Therefore they want business leaders who negotiate with the employers for the best terms obtainable under the existing institutions of property and liberty. In this sense this is the collective bargaining and trade agreement stage of Unionism. According to his standpoint, in a free society all social classes have an equal share in the wealth and prosperity attainable through mutual agreements.

He further emphasizes "collective bargaining" because "in the period of rising prices, of increasing profits, and growing demand for labour bargaining where capitalism predominates, because employers can afford to pay and unemployment has no terror."[2]

According to Commons' view, the social set-up and the social institutions have their effects on the development of the trade union movement.

In examining the historical changes undergone by the modern society he concludes that "the rights of life and liberty are practically denied to labourers in our day, by the virtue of the denial of the right to employment."[3]

He further explains, "if we recognize the social classes which are struggling for a share in this despotism, then we can look forward, not to a persistent absolutism, but to a democratic government of industry and politics, where the subordinate and excluded classes gain a legal

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1. Commons, J.R., Labour Movement, in: Encyclopaedia of the Social Sciences, vol. 8 (New York 1950), p. 681.
2. Ibid., p. 683.
3. Commons, J.R., The Distribution of Wealth, (New York, 1943, Macmillan), see p. 80.

control over their rulers and are not forced to content themselves with the vagueness of merely moral control by public opinion." In other words, "failure to recognize social classes means paternalism based on the survival of the strongest; while recognition of social classes means self-government based on legalized justice between classes."[1)]

From this standpoint - through the recognition of social classes on the one side and a class conflict on the other - he expressed the two institutions of representative government and competition as a necessary condition for the progress of society as a whole.

The Intellectual Approach

In contrast to the actual behaviour of organized labour groups, guilds and trade unions, the intellectuals have formed a program for labour action, as they studied labour in different ways.

"It has always been the main characteristics of the intellectuals to think of labour as an abstract 'mass' in the grip of an abstract 'force'. By the intellectual is meant the educated non-manualist who has established a contact with the labour movement."[2)]

There are three groups of intellectuals in this sense:

1. Marxian or determinant revolutionaries, who see in material force and technical changes the vital element which influences labour conduct.
2. The efficiency intellectuals who admonish labour to acquire greater zeal for social efficiency and long run planning.
3. The ethical intellectuals, who wish labourers to strive for their self-realization in a cooperative society

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1. Commons, J.R., Labour and Administration, (New York, Sentry Press 1913), see p. 67.
2. Perlman, S., A Theory of the Labor Movement, (New York, Augustus Kelley, 1949), p. 280.

assuring the worker maximum freedom.[1)]

Everyone of these three types of intellectuals projects from his own abstract conception "labour as a mass in the grip of force" a mental picture of the working man as an individual. Consequently everyone of these pictures differs widely from the real person whom employers and the union leaders know.

This type of interpretation of the concept of labour differs widely on the one hand from the value of the liberated human personality, and the complete disappearance of all authority from above in order to provide an opportunity for everyone to participate in the total creative planning of industry, and on the other hand this interpretation is totally indifferent as to who gets the job as long as the employer observes the union standard of wages and hours, and it is assumed that the employer would be free to select the fittest workers for the job and that hence the way would be opened to highest efficiency.[2)]

The Views of Harold J. Laski

According to Laski, "what is significant in any theory of labour movement which rejects the premises of business unionism is the fact that it is an active theory which relates labour policy to the whole of the social relations in which the workers are involved, instead of a passive theory which pushed those relations to the peripherie as a rule, a remote peripherie of the jobs the workers do, failing to see them as the one central matter with which they are concerned."[3)]

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1. Perlman, S., A Theory of the Labor Movement, op.cit., pp. 282-283.
2. Ibid., p. 282.
3. Laski, H.J., Trade Unions in the New Society, (London: Allen & Unwin Ltd., 1950), pp. 39-40.

He explained that the trade unionism should have long run goals of social reconstruction in society. From his standpoint, "the purpose of trade unionism can never be war on the economic battlefield alone. At every critical point the struggle moves to the political stage that leads us to the necessity of mobilizing trade union power politically so that it can carry out the re-definition of the relations of production with the state power in its hands and not in its opponent's hand."[1)]

Laski believes that trade unionism is a necessary element in the developing process of democratic life. According to him, the validity of democracy in the sphere of social and political institutions has to be recognized, and it is still a reality that the principle of democracy was excluded in the area of economic and industrial relations. He claims that "at any rate, it is today the main function of trade union in a democracy generally (---) to educate its members, to recognize that its first duty is to its members at the base of the industrial structure."[2)]

According to Laski "democracy means participation. It is above all the sense not merely of being ruled by law and not by discretion, but also of making your own experience articulate in a shaping of the law by which you are ruled."[3)]

In divided trade unionism is an invitation to social conflict in an age that requires large scale adjustment in the relations of production, because one strong and united trade union can convince the owners of property

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1. Laski, H.J., Trade Unions in the New Society, op.cit., p. 172.
2. Ibid., see p. 161.
3. Ibid., see p. 170.

that they have more to lose by conflict than by peaceful concessions. According to Laski, "the trade union movement, in a revolutionary age like our own, has a political task at least of equal importance to its economic function. No doubt it must seek, with all its powers, to increase productivity", as that is the only way to raise the standard of living.[1)]

Trade unions have different functions in different economic systems and also in developed and developing countries. Generally unions are supposed to defend the workers' standard of living. In a capitalist society, especially in a period of depression, where unemployment is the major cause which disturbs the discipline, and where the employers' search for profit is the major objective. In this situation it is natural that the unions should have an independent defensive character.

According to Laski, in a planned economy the trade unions have the function not of a defensive but of a representative character in the form of cooperation with the management and the state in order to assist in the fulfilment of the objectives of the economy.[2)]

In the light of these theories, an investigation may be helpful to find out a new policy, measures and a strategy of the Trade Unions to play a new role in developing countries in order to raise the general standard of living of the working people and accumulate the rate of economic growth of the economy as a whole, the theories based on the explanatory hypothesis in which we can evaluate the empirical data.

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1. Laski, H.J., Trade Unions in the New Society, op.cit., see p. 178.
2. Ibid., pp. 155-156.

In this regard the hypotheses of Webbs, Hoxie, Commons and Laski, with a minor difference as the situation in every individual case may be, may help us to find out a new way to deal with the problems existing in the developing nations. The common interesting basis of investigation in the selective case studies is:

i) trade unions have two goals; in the short run, the day to day struggle for maintaining a 'living wage' with the method of 'legal enactment', and in the long run the major goal is the reconstruction of society through democratic means.

ii) the trade union is not a unified, consistent entity, but one with manifold, distinct and contradictory types. Therefore, a difference in structure and function of unions reflects differences in the psychology of their members.

iii) The social set-up and social institutions have their effects on the development of trade unions.

iv) the understanding of trade unions must come from a study of its institutions and practices.

These are the hypotheses which may enable us to investigate the individual case studies with the help of empirical data in order to find the role of trade unions in the developing countries.

2. Historical Retrospect

2.1. Socio-economic Conditions under British Colonial Rule

2.1.1. Traditional Economy

The conditions of the working people before the British colonialism in the Indian Empire is a matter of great controversy between the British and Indian economic historians. A study of economic history is primarily the history of growth; consequently one has to make use of economic statistics, and it is in this respect a difficult task because of the fact that before the advent of the British rule there are very few reliable statistics available about the economic and social conditions of the working force. The only accounts from which we can form an idea are those left by European travellers visiting India during the Mughal period.

The basic feature of pre-British India was structured on the "village community system"[1], in which the caste-ideology did have its hold. Agriculture was the dominant occupation in a village economy.

In a village economic system "all the households and families living within a particular area, i.e. a village, and woven within a network of certain common, customary obligations towards one another in matters of social and economic importance, were characterized as being part of the village community. Various types of social ties existed amongst them, like kinship, caste, religion, etc., but the principle amongst them was the bound of belonging to a particular village."[2]

It is claimed by the historians that the whole economic

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1. Irfan, H., Agrarian System of Mughal India, (Kitab Mahal, Bombay, 1963), p. 37.
2. Sulekh Chandra Gupta, Readings in Indian Economic History, ed. by Ganguli, B.N., (Bombay, Asia Publishing House, 1964), p. 103.

activity was organized on a cooperative basis where each member was assigned definite sets of duties and rights based on usages and customs of the village. The exchange was organized within the village circuit on a barter basis and customs rather than competition determine all prices including wages of labour.

In general "the basis structure of these village communities in ancient times was similar to that of the village communities in the west in the pre-medieval times. But whereas the Western village communities gave way to feudalism of the manorial type which in its turn was destroyed by the commercial and industrial revolution in Europe, the village communities in India remained unaffected by the political changes at the centre."[1)]

According to B.M. Bhatia, in India, if a king who conquered the country never claimed the ownership of the land, but a share in the products of the land, the land remained a common property of the village community.[2)] Therefore, the centuries-old village community system remained unaffected and the Indian society became static, whereas the Western society made a tremendous progress.

The village labourers and artisans were generally allowed a small piece of land for cultivation and were paid customary wages in kind[3)]. Their status differs very little from voluntary slavery. Evidence shows that the labourers were paid very low wages and there was a wide oppression by imperial officers.[4)]

Due to the absence of written records, little is known in any detail of the early history of the territory that is known as Nigeria. But one feature of the past, which

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1. Bhatia, B.M., Readings in Indian Economic History, op.cit., p. 89.
2. Ibid., p. 90.
3. Sulekh Chandra Gupta, Readings in Indian Economic History, op.cit., p. 106.
4) Gopal, R., British Rule in India, op.cit., p. 25.

is well known throughout Africa, was the considerable movement of the scattered tribes, who were pressed back by the invaders into the hilly, less fertile areas and into the forest country.[1)]

The socio-economic structure of the various tribes of Nigeria was very diverse. Until the nineteenth century, when the European nations increased their economic and political activities, "the tribes with the advanced social and political organization were the Yorubas and the Binis in the south and the Hausa, Fulani, Kanuri and Arab tribes in the north."[2)]

The economic resources of Nigeria largely depended on agriculture, primitive in nature; the farmer worked with the simplest of tools. "Systems of bush fallow rotation"[3)] were usually followed. Under this system any particular piece of land was cultivated only for two three years with a succession of crops, then was left to revert to bush in order to restore its natural fertility.

In most West African societies in the pre-colonial era a domestic slavery system was practised, and the slaves were mostly from the lowest social castes. The strength of the family system was very great and influential among these tribal people. "It was customary for the poor members of the family to look for help from any rich member, and such help was often regarded as obligatory, the extended family system therefore provided a kind of social security."[4)]

Even today, this family system is practised in most of the less developed countries of Asia and Africa, but the family ties have become loose and weakened with the expansion of the urban industrial centres.

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1. Nigeria, the political and economic background, A report prepared by the Royal Institute of International Affairs, Oxford University Press (London, 1964), p. 28.
2. Nigeria, Year Book 1954, prepared by Her Majesty's Stationary Office (London 1958), p. 201.
3. Lloyd, P.C., Africa in Social Change, (Cox & Wyman Ltd., London,1972), p. 23.
4. Olufemi Ekundare R., An Economic History of Nigeria - 1860-1960", (Methuen & Co. Ltd., London 1973), p. 37.

From the thorough analysis of the available material in which the statistical data is lacking, it appears that the common people's way of living was more or less the same as that of the poor mass of the people in the Indian subcontinent; while the benefit of the foreign trades was largely for a very small Mughal aristocracy and merchant class. The weavers and the artisans who represented the largest part of the industrial workers had no idea of self-organization and unions in order to get their proper share for their labour.

In spite of the working mass of Nigeria being farmers, small towns existed, where some people were engaged in local industries and crafts. The capitals of the Hausa and the Yoruba states in the past "were aggregates of the huge compounds of descent groups that constituted the town; their social organization was based upon criteria of descent and age."[1)]

In addition to local industries some people were engaged in many other essentially 'open-air' industries such as canoe building, fishing and alluvial mining industries.[2)]

The slave system was very common in African territories, whereas it was not practised in Mughal India. It is imaginable that the subjugation and poverty among the general working mass in agriculture and local industries were prevailing, but most of them were employed either by themselves as craftsmen, community artisans, or slaves and forced servants of the ruler.

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1. Lloyd, P.C., Africa in Social Change, op.cit., p. 110.
2. Olufemi Ekundare, R., An Economic History of Nigeria 1860-1960, op.cit., p. 43-44.

2.1.2. British Colonization

In the early 18th century Britain was much more favourably situated for economic expansion than other European countries. With the industrial expansion many changes took place and became accumulative, so that the structure of the economy, the social and economic relations of the people, in short, the whole national life became bound up with the new economic momentum, which caused a massive increase in productivity given by new machines, new forms of power, new transport and new means of mobilizing capital. These changing conditions had their consequences on the rest of the world, firstly the vast colonization and secondly the exploitation of economic resources.

Although the 'classical economists' were against the idea of colonization, because they were supporting the views that the 'rate of interest' is an effective regulator for keeping the rate of investment equal to the rate of savings. Full employment of the nations' resources was thereby maintained."[1)]

In contrast to these ideas Ricardo supported the idea of colonization when he explained his theory of "universal free trade." He explained, "when a country reaches the limits of its increase in both capital and population, then foreign commerce would enable such a country for an "indefinite time to increase in wealth and population."[2)] He further remarked, that "if with every accumulation of capital we could take a piece of fertile land to our island, profits would never fall, were the justification for colonization."[3)]

Later on, Wilmot-Horton's programme known as "Systematic emigration" and the'Wakefield system of colonization'

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1. Kittrell, E.R., Great Britain and the Colonies 1815-1865, ed. by A.G.L. Shaw, (Methuen & Co. Ltd., London, 1970), p. 46.
2. Ibid., p. 51.
3. Ibid.

were the popular philosophy in favour of colonization.

Wilmot-Horton's argument for emigration used a straight-forward 'Wages-Fund' approach. Their views were that "wages are depressed because the supply of labour exceeds the demand for labour, thus surplus labour should emigrate."[1)]

E.G. Wakefield believed that "colonial policies which permitted the sale of colonial land at very low prices were the cause of an uneconomical dispersion of colonies on the land." He further stressed that a "relatively high and restrictive price on the colonial land sufficient to prevent the colonists from becoming landowners 'too soon'".[2)]

Nevertheless, colonization was recommended as providing an extension of the 'market for the surplus products' of the mother country, and as affording a relief to her surplus population as well as her superfluous capital.

Most of the colonial economists were impressed by the argument for colonies based on this security of trade view, and were pleading for the colonies to remove the surplus of labour and capital, to develop those sorely needed rawmaterials for Britain's economic expansion and welfare.

Therefore, the English people were fullly aware of the economic opportunities in most Asian and African territories. English industrialists and traders now wanted new fields for investment and new markets and demanded that their government should widen the imperial orbit.

The British had an overwhelming superiority in science and technology which made an advance in material power and led to a conquest or control of most of Asia and Africa for economic motivations.

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1. Kittrell, E.R., Great Britain and the Colonies 1815-1865, op.cit., p. 52.
2. Ibid., p. 55.

2.1.3. Working and Living Conditions

In the early 19th century, land enclosures and the development of urban industry led to the rise of landless and propertyless workers, who were paid in money for the work done in a specific period. In the early days the workers were employed only for a short period as the need arised, and were paid very low.

The payment system in India varied from industry to industry and from place to place. Piecework payment was widespread in the textile, plantation and mining industries, while artisans were paid in kind, whereas time rates were only introduced when the modern factory system developed during the mid-nineteenth century.[1] A majority of displaced population was absorbed in the construction of roads, railways and public buildings which was started by the colonial government in the middle of the 19th century.[2]

Concerning the 'wages' paid to the worker, there is a lack of reliable wage statistics almost non-existent for the period under examination.[3]

It was a common practice to deduct wages for bad work, and the fines were considered as the most effective way for mishandling of machinery, and in addition the wages

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1. Ornati, O.A., Jobs and Workers in India, (The Institute of International Industrial and Labour Relations, Cornell University, New York, 1955), p. 68.
2. Sharma, G.R., Labour Movement in India, (University Publishers, Jullundur, 1963), p. 20.
3. According to the Colonial government report in 1892 the average rates of wages in textile trades were: Rs. 12 per month for males, Rs. 9 per month for females and Rs. 6 per month for children.
   As the majority of the workmen was being paid by piecework, the average rates for production of 100 lbs. of yarn were, for a male spinner 3 3/4 annas, for a piecer 2 1/2 annas, and for a weaver 12 Rs. Chamanlal Revri, The Indian Trade Union Movement, Orient Longman Ltd., 1972), pp 16-17.

were held back in arrears for over two months.[1] In general there was a system of 'monopoly wage' due to the lack of the unity and solidarity among workers, because the absence of labour unions was itself a result of the then existing social and economic conditions of India.[2]

In the International Labour Conference at Geneva, dealing with the situation of the Indian working people, S.V. Parulekar stated that "in India the vast majority of workers get a wage which is not enough to provide them with the meanest necessities of life."[3] Although the reliable wage statistics are lacking it is not difficult to get to the conclusion that under the early colonial rule the workers were paid very low, even below the subsistence level, in order to get the maximum profit for their investment.

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1. Ornati, O.A., Jobs and Workers in India, op.cit., p. 68.
2. According to the report of the Famine Commission of 1898, the following was said: "So far as we have been able to form a general opinion .... the wages of these people have not risen in the last 20 years in due proportion to the rise in prices of their necessaries of life."
   Pillai, P.P., Economic Conditions in India, (George Routledge and Sons Ltd., London, 1928), p. 25.
   The unskilled workers, mostly known as 'Coolies', employed by the railways and in other public works, had in no sense satisfactory conditions.
   Mukerjee, an Indian economic historian, has quoted that the rate of daily wages in the factories of the united provinces of India hardly increased about 40 per cent over a quarter of a century from 1880 to 1905, for unskilled workers from 2 annas to 2 annas and 3 paisa, for skilled workers from 4 annas to 4 annas and 6 paisa, whereas the prices of the necessities were more than doubled during the same period. See Mukerjee, R. The Economic History of India 1600-1800, (Kitab Mahal Allahabad, 1967), pp. 54-55.
3. Dutt, R.P., India Today, (Left Book Club Edition, Victor Gollancz Ltd., London, 1940), p. 351.

Paid employment only developed after the advent of the Europeans in Africa. The economy of the various states which make up modern Nigeria was basically a subsistence economy. Peasant farming, which was the main occupation of the people, was carried out on a cooperative basis. On a given day people went and worked for a particular individual, who was responsible for their food and drink. On another day the man returned the service, and so it went on until everybody in the group was served.

Wage employment probably started when the colonial administration needed cheap unskilled labour in the primary sector of the economy; i.e. in mines and plantations, and as the products were to be produced, roads and railways were also required to transportation.[1] Therefore the colonialists recruited the labour by force and they also imposed taxes in order to motivate the native people to work for wages.

As there was small competition among European merchants, there were some 2,500 Europeans and Africans employed in the Niger Delta. The number of employed persons increased after 1886, when the Royal Niger Company was chartered and given powers in all territories in the basin of the Niger and its affluents.[2] It was not easy to get workers, "the recruitment of indigenous manual workers was first carried out through the agency of the local chiefs, who invariably picked slaves or their children or the offspring of hated wives."[3] Paid

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1. Geibel, H.D., Social Change and Economic Development in Nigeria, ed. Ukandi G. Damachi (Praeger Publishers, New York, 1973), p. 4.
2. Wogu Ananaba, The Trade Union Movement in Nigeria, (C. Hurst & Company, London, 1969), p. 2.
3. Ibid., p. 3.

employment increased after 1900, as for economic and strategic reasons there was an urgent need to achieve the main objective of occupation to provide an extensive market and sources of raw material for the British factories.[1)]

In the case of Nigeria the wages were relatively higher than in India due to the unwillingness of the Nigerian workers and to the marked difference in the conditions of employment of foreign and indigenous labour.

Under colonialism there were no standard or fixed hours, and the work was spread from sunrise to sunset.

According to the report of a Boilers Inspector, Drewett, "the ginning season lasts about eight months, about five of which the hands work from 5 a.m. to 10 p.m. and the remaining three months they worked day and night."[2)] In another report Buchanan describes that complaints were frequently made by the workers about the bad conditions in the mills and workshops and "as they were likely to be covered all over with lint, in the event of any mishap they were suddenly caught into fire, especially the women workers with saries about their heads were almost invariably burned to death on such occasions."[3)]

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1. The daily wages of labours in Lagos at that time was "9 d., while for the labourers working outside Lagos 1 s. and an additional 3 d. as subsistence allowance." Wogu Ananaba, The Trade Union Movement in Nigeria, op.cit., p. 5.
2. Chamanlal Revri, The Indian Trade Union Movement, (Orient Longman Ltd., New Delhi, 1972), p. 15.
3. Buchanan, D.H., Development of Capitalist Enterprise in India", p. 303.

The discovery of electric light in Bombay and Bengal between 1890 and 1900 had the result of increasing the working hours.[1)]

From the situation given above it is obvious that the working conditions in early Indian factories were very bad and in the sense of R.F. Wadia, "occasionally even cruel".[2)]

Democracy and social justice had quite different meanings and values in the world during colonialism, and perhaps there might have been a 'time lag' in the thinking of men in different countries.

Of the living conditions of workers in colonial India, the British Trade Union Congress delegation reported, "we visited the workers' quarters where we stayed, and had we not seen them we could not have believed that such evil places existed ... Each house, consisting of one dark room used for all purposes, living, cooking and sleeping, is 9 feet by 9 feet, with mud walls and loose-tiled roof, and has a small open compound in front, a corner of which is used as a latrine. There is no ventilation in the living room except by a broken roof or that obtained through the entrance door when open. The overcrowding and insanitary conditions almost

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1. "In the United Provinces generally, in the Punjab, in Southern Madras, and in the cotton mills of Bengal, children have as a rule worked during the whole running hours of the factories."
   M. Nair, a member of the Enquiry Commission reported that in rice and flour mills men have occasionally to work 20 or 22 hours, in printing presses men have had to work for 22 hours a day for seven consecutive days, he further stated that in the textile industries the working hours were more or less similar.
   Subramanian, K.N., Labour-Management Relations in India, (Asia Publishing House, London, 1967), pp. 22, 24.
2. Ibid., p. 26.

everywhere prevailing demonstrate the callousness and wanton neglect of their obvious duties by the authorities concerned."[1)]

The situation of Nigeria was somewhat different compared to India under the colonial rule. Slavery existed as a social institution in most African countries. A regular English slave trade began with the grant given to "the Company of Royal Adventurers of England trading with Africa", which was progressively continued until it was abolished by the British at the beginning of the 19th century.[2)]

Slave trade had produced social and economic problems which had their effect on the reduction of population of many parts of Nigeria. Moreover there was a lot of destruction of villages during the slave raids, which led to the intertribal wars among the people.[3)] All these effects were more or less responsible for the proper development and transformation of the rural society. Therefore, there was a development of general feeling of mistrust and hatred among the native people and the colonists. It was very common to believe that the conditions of work under such a system were very hard an unhuman, and people were not ready even after the abolition of slavery to work for the colonists.

The colonial administration had to satisfy the chiefs to get labourers, on "the assurance that they would be regularly paid a weekly wage, and relieved by others after a definite period."[4)]

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1. Dutt R. Palme, India Today, op.cit., pp. 350-351.
2. Olufemi Ekundare, R., An Economic History of Nigeria 1860-1960, op.cit., pp. 28-30.
3. Ibid., pp. 34-36.
4. Wogu Ananaba, The Trade Union Movement in Nigeria, op.cit., p. 7.

Generally, in the early colonial period until the end of the 19th century workers were forced to put in excessively long hours of work without any rest, under very miserable conditions, including women and small children as there were no rules and legislation for the workers and lack of every possibility to organize themselves in order to change the conditions and to improve the living conditions.

2.2. Trade Union Movement in the Colonies

2.2.1. Colonial labour force

In the traditional pre-industrial societies most of the population were tied to the land, and very few, less than 20 per cent were engaged in occupations of a hereditary or hierarchic kind: craftsmen, soldiers, officials. When a labour force was required for public or feudal purposes, to support an army, or to build a new road, then it was mobilized by forced labour. 'Begar' was paid to the people who were forced to work, as it was the obligation of the state, or of the landlord enforced throughout India.[1)]

The rural economy never reached an equilibrium condition during any time of trouble: famine, flood or invasion, which led to a number of people moving to the town as a refuge and thus a pool of casual labour force was gathered in the great cities of India.

Great Britain had played a leading part in slave trading from the African continent, which reached its heighth in the eighteenth century and was declared illegal in Britain in 1807, which gave way to the growth of labour force in urban areas.[2)]

Many landless or peasants left their villages as it was economically backward and migrated to the towns in order to get other employment to support their dependence.

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1. Tinker, H., A New System of Slavery, (Oxford University Press, London, 1974), p. 40.
2. Nigeria, The Political and Economic Background, (Oxford University Press, London, 1964), p. 30.

2.2.2. Early Protest and Labour Movement

The socio-economic tension which started from the second half of the 19th century after the development of the British capitalism and the growth of the factory system in India, has led to protests against the exploitation of child and women labour and very miserable conditions of work.

At that time the labour was not at all organized and also had not the least idea of radicalism and class consciousness, but there was a social welfare movement in order to regulate the working hours and working conditions.

Strikes and protests had been started throughout India and the feeling of oneness with the fellow workers started to develop to form a united stand against the colonial and native industrialists. There is a record that in Nagpur the first time in 1877 the workers of the 'Empress Mills' had striked for the increase of wages. Between 1882 and 1890 twentyfive other important strikes were recorded in Bombay and Madras.[1)]

The strikes were few and shortlived, due to the extreme difficulties in the way of protest action of labour, but minor strikes were many and frequent.[2)]

It very often happened that whenever the workers were not ready to work under the unhuman conditions or not willing to work longer they were fired, beaten by the members of management or by the agents of the employer.[3)]

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1. Buchanan, D.H., The Development of Capitalistic Enterprise in India, (New York; The Macmillan Company, 1934), pp. 242-243.
2. For example a strike at Gulam Baba Spinning & Weaving Mill at Surat, lasting for 6 days, from 13th to 18th November 1882. Another strike involving about 300 workers out of a total of about 350 employed, lasted from 10th to 12th May, 1891, at the Coimbatore Spinning and Weaving Mill in Madras, was recorded. The reason for the strike was that a workman had been struck by a member of the management.
   See Chamanlal Revri, The Indian Trade Union Movement, (New Delhi, 1972), p. 27-28.
3. Ibid.

The practice of 'wage reduction' was also the one cause of the protest and strikes, as the Revenue Collector of Bombay reported, "the hands occasionally stop away for a day or two, when fine for absence or bad work or when a reduction in wages is attempted."[1)]

It was easy to the employer to replace by new recruits in the case of strikes or any emergency, because there was a huge unemployment due to the scarcity of factory jobs.

The employers very often used defensive methods against strikes, dismissals and punishment were very common and there was a very close cooperation between the employer and the colonial adminstration to solve the trade disputes by force.[2)]

At the beginning of the present century protests and strikes increased and the workers were becoming more and more conscious about the unity of the working people in order to improve the working conditions and increase wages throughout the whole country.

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1. Chamanlal Revri, The Indian Trade Union Movement, op.cit., p. 29.
2. At the beginning of the 20th century century there were several disputes in the government printing presses. A strike of the workmen took place in 1903 against overtime work without payment. The strike lasted for about six months. New workers were brought on work and the strikers suffered heavily.
   According to another report, "five hundred Bombay postmen have gone on strike on August 17th, 1906", which lasted over a week, for an increase of wages. The postal service was paralyzed and the leaders were arrested.
   See Chamanlal Revri, The Indian Trade Union Movement, op.cit., p. 46.

The working conditions of the people in the colonial area, which became the territory of Nigeria in 1914, were more or less similar to the Indian sub-continent. There are very few records available about the protests and strikes of the workers under the administration of the Royal Niger Company, which had captured the Northern territory and enjoyed the monopoly of trade since 1886.[1] At that time there may have been little feeling among the wage earners that their labour was being exploited. But in contrast for the workers at that period the positive compulsion to work for wages was lacking and a job was usually sought as a means to supplement agricultural incomes, which was not enough to raise their standard of living.

It is recorded that in 1897 the government workers went on strike against the long working hours and bad working conditions.[2]

Although the slavery had been abolished by the British, long before the occupation of Royal Niger Company, the local chiefs were still dealing with slaves until the declaration of Lord Lugard[3]. The control of the local chiefs on the tribal people was very strong and it had not been possible under such a situation to make any protest against the unhuman conditions of work.

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1. R. Olufemi Ekundare, An Economic History of Nigeria 1860-1960, op.cit., p. 104.
2. Ibid., p. 367.
3. "...that all children born after 1st April 1901 (were) to be free."
   Ibid., p. 34.

2.2.3. The Emergence of Trade Unions

The emergence of the trade unions in India as in other industrialized countries developed after the factory system had been established. The leadership however, at the early stage was purely a reformist one, who wanted to remove the evils and the abuses of the then rising capitalist set-up.

There is no information whether the 'Bombay Millhands Association'[1] undertook any work apart from holding occasional meetings with a view to making representations to the government or whether it organized its supporters into a free paying workers' organization.

During this period two new organizations were established, having a similar character as friendly societies: the Amalgamated Society of Railroad Servants of India and Burma (1897), and the Madras Textile Workers Union (1918),[2] which was founded just after one strike disbanded.

In the same year, 1918, seven unions of a permanent character had been formed.[3] The most important and well organized labour union was formed by Gandhi in 1920, the Ahmedabad Textile Labour Association, which was a craft type union grown out of a strike, which made Gandhi the leader of the workers with nonviolence in industrial strifes.[4]

Trade unions in their first period were mostly organized by the political moderates, who wanted to reform the emerging Indian capitalism. Leaders of the trade

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1. Formed by N.M. Lochande in 1890, the first Indian trade union.
   See Ornati, Oscar A., Jobs and Workers in India, (New York, The International Institute of Industrial and Labour Relations, Cornell University, Ithaca, 1955), p. 98.
2. Ibid.
3. Punekar, Trade Unionism in India, op.cit., p. 77.
4. Ornati, O.A., op.cit., p. 100.

unions like Lochande, Bengalee, Banerjee and Niar, were only interested to change the working hours and the bad working conditions so that the working masses could get their proper reward and status in the society, because according to their views labour organizations were the only means through which they could change the entire society.

Trade unionism in Nigeria is a recent development, especially being established after the first world war. After the successful Lagos strike of 1897, due to the government's decision to change the conditions of work and hours, the workers felt the need to organize so that in the future they could be able to stand against any unjustice by the employers or the government for illegal deduction from their wages.[1)]

The first trade union formed in Nigeria, the Southern Nigeria Civil Service Union, was inaugurated on August 19, 1912. Later on the union changed its name after the amalgamation of the Northern and Southern Nigeria in 1914 to the 'Nigerian Civil Service Union'. It is claimed by T.M. Yesufu that "the Union was thus not formed by a group of dissatisfied workers, who wanted a platform from which to fight for amelioration of grievances or for the improvement of specific conditions of employment... it would appear that the main reason for its formation was merely to match the existence of such institutions elsewhere."[2)]

Actually the Nigerian Civil Service Union was organized by the civil servants, who were not satisfied with

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1. Olufemi Ekundare, R., An Economic History of Nigeria 1860-1960, op.cit., p. 367.
2. Wogu Ananaba, The Trade Union Movement in Nigeria, op.cit., p. 10.

their wages and for the opportunity of Africans in the civil service. It was just a club type association, in which petitions were written and agreements were signed with the colonial government to improve the payment and other facilities, but it had nothing to do with the workers.

Another union, the 'Association of European Civil Servants in Nigeria' was formed in 1919.[1] It was also the same type of organization like the first one, limited for the white collar workers. However, there was a number of such organizations and societies before 1930, but they had no legal standing as there was not any trade union legislation existing in the country at that time. Their existence was based on the tolerance of their employers and the indirect support of the colonial administration. It was in this situation not possible to take any action in favour of the workers' well-being, because a direct action against the employers could have brought the prosecution under the criminal code or under the penal provisions of the Labour Ordinance of that time.

In next chapter, we will go into detail concerning the growth of the trade unions in the case studies.

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1. Wogu Ananaba, The Trade Union Movement in Nigeria, op.cit., p. 13.

2.3. Influence of Colonialism on the Trade Union Movement

2.3.1. Colonial Labour Legislation

The beginning of labour legislation in the Indian subcontinent goes back to the last quarter of the 19th century.

The first Indian Factory Act was passed in 1881, regarding the hours of work and regulations of the working conditions in the factories, in which no child under 7 could be employed, and children were permitted officially to work 9 hours a day.[1] Moreover it was only applicable to the factories employing more than 100 workers and using mechanical power. In general this Act was more or less a children welfare act, which was not adequate to deal with the evils that existed at that time.

After a long protest and recommendations by the Bombay Factory Commission in 1884,[2] this Act was amended in 1891, according to which the hours of work for women were limited to 11 a day with a short interval, and the children above 9 were permitted to work not more than 7 hours a day. This Act was applicable to all factories employing more than 50 workers and using machines, and it was further on the disposal of local governments to include all factories employing 20 workers or more.[3]

The major critic of this Act was that it contained no restriction on the working hours of the adult male workers, and it excluded factories which did not work more

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1. Subramanian, K.N., Labour Management Relations in India, (London, Asia Publishing House, 1967), p. 12.
2. Ibid., p. 13.
3. Ibid., pp. 18-19.

than four months in a year. In general the scope of this Act was very limited, with a little effective enforcement.

The setting up of Enquiry Commissions and the enactment of two factory laws between the last two decades of the 19th century gave a great deal of encouragement for the formation of labour organizations and the strikes were very frequent in these years, which led the relationship between the workers and the employers to a rapid deterioration. Therefore, after the recommendations of the Freer-Smith Committee, which was formed in 1906[1], a new Factory Act was passed in 1911, in which the principal changes made were: hours of work for men were limited to 12 a day, the children were permitted to work 6 hours a day, and the women and children were not to be employed in certain dangerous processes and in night work.[2]

This Act was further amended in 1922, the principal provision of the Act were: The hours of all workers were restricted to 11 a day, and to 60 a week, the minimum age for children was raised to 12 years, with 6 hours work a day.

In general, all these laws were only for the working conditions and hours of work, but until that period there was no law protecting the labour organizations and concerning the minimum wages and social security of the factory workers.

The situation was little different in the case of Nigeria, where the development of the legislation started after the beginning of the 20th century. At the first time the employment of the women in night work was prohibited under the Berne Convention in 1912, and later on

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1. Subramanian, Labour-Management Relations in India, op.cit., p. 21.
2. Ankalikar, S.M., Labour Management (Bombay, New Book Company, 1945), p. 69.

every provision of this convention was proclaimed in the Nigerian labour code in 1929, under which it was prohibited to employ children under the age of 16 underground and in machine work. The law was further reduced to 14 years in 1932.[1)]

There were no efforts made about the minimum wage fixing in the colonial territories in 1931; for the first time consideration was given to this problem. It was decided that the colonial regime should take power to intervene in any cases where illiterate labour was being exploited by payment of unduly low wages. In 1932 the Governor -in-council was given the power to fix minimum wages for labourers and areas in which wages may be low.[2)]

The first Trade Union Ordinance came into effect in 1939 and gave protection to the trade unions which were afforded to the British unions by 1871.[3)]

In general labour legislation was introduced after the first world war in Nigeria, which gave fundamental rights to the workers concerning hours and conditions of work and the right to unite themselves in order to get their basic rights. We will discuss the growth and development in detail in the case studies.

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1. Report of the I.L.O. Published by the International Labour Review, vol. LXXXII, no. 1. July 1960, Geneva, p. 11.
2. Ibid., pp. 14-15.
3. Wogu Ananaba, The Trade Union Movement in Nigeria, op.cit., p. 22.

2.3.2. Impact of British Policies on Trade Unions

The doctrine of 'laissez faire', or the minimum intervention was the major policy followed by the colonial government in order to give a free hand in economic matters to the British and non-British private enterprise in investment and in the trade to establish a free competetive society in which the economic development policies were to be followed in the late 90s of the last century.

Besides, the colonial government had also favoured and facilitated this through a favourable, protective labour legislation, although it was not very comprehensive, even if it saved the undue exploitation of labour in the forms of long hours work under critical working conditions in the factories, encouraged the establishment of workers organizations and provided a guide-line to them on the basis of their own experience.

For the first time in Indian industrial history, Mr. Redgrave, an Inspector of Factories, in one of his reports drew attention to the industrial situation in India; "a cotton industry springing up in India, extending with rapid strides,... it is well that the legislature should step in while the industry is, so to speak in its infancy and by wise and moderate regulations stop the growth of habits of long hours and of the employment of child labour."[1)]

On 8 Feb. 1875, a member of the House of Commons, Mr. Anderson stated in a parliamentary report that "an extensive factory system had been growing up in India without government supervision with the purpose of protecting the health of the women and children employed,

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1. Chaudhary, V.C.P., Imperial Policy of the British in India, (Calcutta, Punthi Pustak, 1968), p. 309.

as they worked continously for 15 hours every day including Sunday and other holidays. He advised the desirability of having a factory legislation for India on the British pattern to put an end to such inhuman state of affairs."[1] These and many other reports led to the final approval of the first factory Act of 1881. On the other side there was a big opposition from the Indian employers, who were not in favour of this early legislation. They pointed out that "the workers did not complain of the long hours of work. As regards the condition of health, it was suggested that the health of the workers was perfectly allright. In view of these considerations the legislation was quite uncalled and superfluous."[2]

Once again an English Factory Inspector, James Jones, Secretary to the 1884 Bombay Commission, returned to England and submitted a report on conditions in the Bombay factories. His general conclusion was a weekly holiday, reduction in the hours of work for children and women, sanitation and more regular meal hours ought to receive more periority in the legislation and the Home Government should introduce new measures to save the exploited labour.[3] This report was brought to the notice of the Secretary of State, which led to the amendment in the previous Factory Act in 1891.

In relation to the introduction of factory legislation and the encouragement of the labour organizations in India we generally find two factors playing their part. One of them was the Lancashire industrial unrest, and the other was the growth of the factory industry which led to misery

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1. Chaudhary, V.C.P., Imperial Policy of the British in India, op.cit., p. 309.
2. Ibid., p. 316.
3. Subramanian, K.N., Labour Management Relations in India, op.cit., pp. 16-17.

and exploitation of the women and child labour, that awakened humanitarian feelings among Indian philanthropists and liberal British colonists.

In the case of Nigeria the British policy was encouraging. They developed a net-work of railways, roads and basic services in health and education. They further sought to develop indigenous African institutions, the logical result of which has been to devolve power upon a legislature of traditional rules, and they trained an executive class to work within Western style bureaucracies. The implication of these changes of the traditional society brought economic progress through the increase in production and circulation of goods.[1)]

With relation to labour and capital, the motive of the colonial policies was to create a free labour market in which terms of employment were settled by the voluntary association of employers and employees.

Under the Colonial development and Welfare Act of 1945, the colonies were encouraged to plan their social and economic development with the technical and financial assistance of Britain, and the plan for development programmes was in general directed by the colonial adminstration.[2)]

The colonial government, mainly interested to maintain its political control for its economic interest, adopted a policy to encourage the workers' organizations through a favourable legislation and concessions in working hours and working conditions against the employers. In the case of a strike, the workers leaders were to act as spokesmen, discuss their demands and reach agreements on their behalf, which provided the socio-political control to cover the colonial territories.

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1. Lloyd, P.C., Africa in Social Change, (London, Cox & Wyman Ltd., 1972), pp. 80-81.
2. I.B.R.D., The Economic Development. A Report, (John Hopkins Press, Baltimore, 1955), see p. 14.

There is no doubt that the economic factors motivated the workers to organize, but it was the political factor of the initiative of the colonial government too, to create an atmosphere of good industrial relations in order to reduce political instability, strikes and stoppages of work. Hence the encouragement of the emergence of the workers' organizations and unions, though on the precedence of the British Trade Unions. Otherwise there would have been stronger worker participation in the general struggle for independence.

3.0. Case Studies

3.1. PAKISTAN

3.1.1. Strength of the Trade Unions

3.1.1.1. Labour Force

Pakistan like many other less developed countries is also faced with the problem of population pressure. A mid-year estimate of 1975 places the total population at 69,2 million, out of which only 29,9 per cent of the population is active as labour force in the nation's economy.[1)]

The evidence of data on industrial labour force is not very clear, but rather misleading, because a different definition of 'labour force' has been employed in the censuses of population in 1951 and 1961.[2)] Therefore, it cannot be used to see the real increase in the industrial labour force. An overview of the labour force for the last three census years is given in table 1, employed into an agricultural and a non-agricultural sector to show their distribution.

Table-1
Civilian Labour Force in Millions.[3)] (Bangladesh excluded)

	1951		1961		1973	
Total Labour Force	9,51	100 %	12,55	100 %	18,78	110%
Agricultural	6,19	65,1	7,41	59,3	10,28	54,8
Non-Agricultural	3,32	34,9	5,14	40,7	8,51	45,2

It is obvious from this table-1, that an increase in the modern industrial sector, urbanization, and structural changes have taken place since independence, although the rate of progress is not very impressive, whereas in 1947, Pakistan had hardly any industrial base. According to an

1. Pakistan Basic Facts, Ministry of Finance, Economic Advisor's Wing, Planning and Economic Affairs, Islamabad, 1975, p. 3.
2. Lewis, S.R. Jr., Pakistan, Industrialization and Trade Policies, (London, New York, Karachi, Oxford University Press, 1970), see p. 38. (Under the 1951 census the minimum age for labour force was fixed at 12 years, whereas it was reduced to 10 years in the 1961 census).
3. Sarwar Rizwi S.A., Industrial Labour Relations in Pakistan, (Pak Publishers Ltd., Karachi, 1973), p. 26. In addition the data for 1973 are compiled by the National Institute of Labour and Administration Training, Karachi, 1973.

estimate the labour force increased from 14,27 mio in 1961 to 17,55 mio in 1969-70, showing an increase of 3,28 mio over a ten years' period.[1] The latest data show that the estimated labour force for the year 1975 stands at 20,5 mio, out of which 5,3 mio are engaged in the urban sector, which means that the labour force is growing at an annual rate of 3 per cent, i.e. 600,000 per year.[2] This rate of increase poses a great problem of enemployment for a large number of people.

In most developing countries occupational classification, especially in the rural areas where a majority of civilian labour force is employed, are unspecialized as the position may be clear from table-2, that a very small number of people are working in the industrial sector.

Table-2

Occupational Classification of the Non-Agricultural Labour Force in Mio

Occupational Categories	Number of Workers
Manufacturing	2,93
Construction	0,68
Electric	0,06
Commerce	0,08
Transport	0,98
Services	1,67
Mining and Quarrying	0,02
Miscellaneous	2,03
Total	8,43

It is obvious from table-2 that only 35 per cent of the total non-agricultural labour force are employed in the manufacturing sector, which presents a growing trend in the industrial sector of the economy.

1. Government of Pakistan, A Report on Labour and Employment, Islamabad, Ministry of Information and Broadcasting, 1973, p. 4.
2. Government of Pakistan, Pakistan Economic Survey, Finance Division, Islamabad, June 1974, p. 4.

3.1.2.2. Organized Industrial Labour

Out of the non-agricultural labour force of 8,43 mio only 2,93 mio workers are engaged in organized industry but the actually organized workers in the form of trade unions are a small part of it.[1] The available data on the situation is not very reliable but contradictory. However, to arrive at a basic conception about the trade union situation, those statistics maintained in various institutions such as Central Statistical Office and National Institute of Labour Administration are very helpful.

It is reported that the total number of trade unions was 5,332, with 645,723 members in 1973, which increased to 7,172 with a total membership of 741,174 in December 1974.[2] This shows that only one fourth of the industrial labour belonged to the trade unions, and the degree of unionisation is quite poor, whereas the average membership of the unions is not even more than a hundred, which consequently makes it weaker and more ineffective.

The present poor situation of organized labour is partly due to the multiplicity of trade unions in the same industry and even in the same establishment, which may be one of the causes of the weakness of the trade union movement in the country.

It may be noted from table-3 that at the time of emergence of Pakistan and in the 1960s the number of trade unions did not increase as rapidly as in the later years. An increase in the number of unions without a corresponding increase in the total membership would mean that

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1. From table-2, see p. 53 in this study.
2. Abdul Majeed Ch. in his report prepared and compiled for NILAT, Karachi, p. 4, quoted that the trade union movement included some 600,000 members and the number of trade unions about 6,000 at the end of 1973.

there is a growing tendency towards the formation of small unions which shows the lack of response of their leadership in order to create a strong and healthy movement to safeguard the interest of the working people.

Table-3, The Trade Unions and their Membership[1)]

Years	Numbers of Registered Trade Unions	Total Memberships
1948-49	110	116,300
1949-50	173	121,558
1950-51	185	128,888
1951-52	197	110,641
1952-53	223	111,631
1953-54	237	91,952
1954-55	237	97,981
1955-56	240	120,018
1956-57	267	104,573
1957-58	293	106,417
1958-59	358	98,692
1959-60	410	101,138
1960-61	466	175,313
1961-62	492	138,356
1962-63	521	95,022
1963-64	555	226,789
1964-65	592	218,665
1965-66	621	217,096
1966-67	639	219,438
1967-68	654	230,809
1968-69	638	259,723
1969-71	n.a.	n.a.
1972 Dec.	4,373	n.a.
1973 Dec.	6,000	600,000

It may be seen from the above table, that the membership of the unions has declined during 1953-55, because of the fear of victimization the workers left their unions as the attitude of the prevailing government was very unfavourable. The union leaders complained of harassment by government authorities. Soon after independence the

1. Abdul Majeed Ch., The Vital Industrial and Labour Statistics, compiled for the National Institute of Labour Administration Training Karachi, p. 6.

trade unions were dominated by a militant revolutionary leadership.[1)]

In 1958 a military regime took over and martial law was imposed. This change of the situation had its negative effects on the trade union movement and a large number of workers left their unions due to a considerable fear, although the number of trade unions increased because the unregistered trade unions got registered in order to get their due rights.[2)]

In the year of 1963, soon after the constitutional changes introduced by the Ayub's military regime, riots started, a reduction of trade union membership from 138,356 to 95,022 at its lowest level in the last fifteen years took place.

It was the worst crisis in the history of Pakistan during 1969 to 1971, which started actually at the last quarter of 1968 because of a rapid increase in the food prices in the eastern part of the country and in general "the suppression of unions and the rather harsh wage policy pursued by the Ayub government, plus the continued presence of a large pool of unemployed labour"[3)], and resulted in the fall of the Ayub regime in the early 1969, ending with the separation of the east part of the country. From 1969 to 1971 the data is not available because of the civil war and other disturbances.

When the elected government came into power in December 1971, a tremendous increase took place in the number of trade unions and their membership, which rose from 638 and 259,723 in 1968-69 to 6,000 and 6000,000 in December 1973 respectively, because of an encouraging and favourable attitude of the new government for the development

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1. Mahmud, M.K., Trade Unionism in Pakistan, op.cit., p. 6.
2. Sarwar Rizvi S.A., Industrial Labour Relations in Pakistan, op.cit., see p. 36.
3. Stern, J.J. and Falcon, W.P., Growth and Development in Pakistan, 1955-69, published by the Center for International Affairs, Harvard University, U.S.A. 1970, p.4.

of the trade union movement in the country. It is clear from table-3, that a very small number of workers are organized and especially the number of smaller unions developed very rapidly as the conditions for their registration were made with only a few big trade unions like the ones of railway, post and telegraph, and textile industries.

General poverty and illiteracy of the workers are the major causes for the low percentage of the industrial workers associated to trade unions, as they are not aware of trade union benefits. Another reason may be the rift rivalry among their leadership, which caused the split and multiplicity of local and national federations.

A vicious circle because of poverty appears to have been set up. The inability of the member to pay regular and substantial contributions to the union funds keeps the trade union weak. The weakness of the union contributes to the continuation of low wages, even if labour productivity is high enough to support a higher wage-rate. The worker further has little inducement to give away any amount of his wages to the unions because they do not appear to promote his welfare and his lack of support keeps the union that way.

It is therefore very important that the trade unions should pursue the policies to raise the living standard and improve working conditions of their members through the continous support, the demand for a better wage, and better trade union education for the working people.

3.1.2.3. Characteristics of Industrial Labour

Pakistan, being an agrarian society, is basically confronted with the problem of backwardness due to the lack of transport and communication facilities, fixed cultural and social values because of mass illiteracy. This reduces every possibility to break the ties of the workers with the rural traditions in order to integrate in the modern working force and organize into trade unions to safeguard his interests, although in most cases the concept of the 'trade union' is not unknown to the workers.[1)]

In general, about 80 % of the working force come from the rural areas, excluding Karachi, where the majority of the workers have an urban background.[2)] It is so firstly because after the partition of British India most of the immigrants settled in Karachi, and secondly, due to the lack of labour mobilities, the workers from rural areas are not prepared to leave their families to join the industrial force in well established factory areas in Karachi.

As the majority of the labour force has a rural background, the workers are not fully integrated in the factory system and they are even suspicious of the city life where they believe people might take advantage of them. A large number of the factory workers leave their jobs after a certain period and return to their native village, very often at the time of harvest. The labour turnover rates are sometimes as high as 10 per cent per month, as we see from table-4. The rate of labour turnover is higher in the areas of the north west frontier, where the majority of the working force comes from Punjab. The workers return

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1. Sarwar Rizvi, S.A., Industrial Labour Relations in Pakistan, op.cit., see p. 28.
2. Mohamad Irshad Khan, Industrial Labour in Karachi, in: The Pakistan Development Review, Vol. III, No. 4, 1963, pp. 596-599.

home when jobs are available in the home province. Many of them also leave their jobs due to wage differences in other areas, bad supervision, regional and lingual differences.[1)]

Table-4[2)], Employment and Labour Turnover of Production Workers, 1961 Karachi

Month	Number of factories reported	Number of Workers employed	Recruited during the month	Left during the month
October	533	60,611	6,164	5,798
November	533	60,977	6,120	5,773
December	533	61,324	5,104	4,680

It is obvious from this table that the percentage of the labour turnover varied from 8 to 10 per cent per month, which reduced the production in the planned period unexpectedly.

Workers coming from different parts of the country have a quite different behaviour because of regional and cultural variations. They very often form a group on that basis such as Punjabis, Pathans, Sindhis and refugees. Their relationship with the working place is not very friendly which makes the united efforts in the form of unions ineffective and often becomes a cause of difference among the workers as well as for the leaders of the trade unions.

The majority of the workers is not accustomed to strict industrial discipline and misses their land farm, where they probably worked hard but at their own pace and time. It is also most likely that many workers bring their tribal conflicts even into the factory, making the organization more complicated.

1. Raza, Ali M., The Industrial Relation System of Pakistan, Bureau of Labour Publications, Zam Zam Chamber, Karachi 1963, pp. 75-76.
2. Ibid., p. 75.

3.1.2. Structure of the Trade Unions

3.1.2.1. Local Trade Unions

At the time of the partition of British India in 1947 there were relatively few industrial centres in the territory now comprising Pakistan. Trade union organization is therefore not very widespread, although efforts to form worker unions started quite early together with the rest of former British India.

Unlike the general pattern in developed countries, the structure of trade unions developed on a 'plant' basis instead of a craft or industrial basis, i.e. if there were 15 branches of a bank in different locations or cities, 15 trade unions grew up. Similarly in any industry at least as many trade unions were organized as there were employers in the industry. A study of the trade unions in the country shows that the existing trade unions mostly consist of a large number of local units usually confined to workers of one company or factory without regard to skill and occupation.[1)]

The idea of local unions which was adopted long before independence is dominating even today, whereas the central organizations are of very recent origin. For example, the North Western Railway Worker Union Lahore, the Karachi Port Trust Labour Union and the Punjab Miners Labour Union were formed on local basis in the early quarter of the 20th century in the Indian subcontinent.[2)] Many of them were dissolved and some merged into other trade unions and a few of them have changed their names.

The available data on the trade union situation is

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1. Mahmud, M.K., Trade Unionism in Pakistan, Lahore, University of Punjab, 1958, see p. 26.
2. Ibid.

scanty, and wide discrepancies are not infrequent in the published statistics. However, it is claimed that in 1948-49 there were only 110 trade unions, out of which 104 trade unions were local organizations.[1)]

At the time of collective bargaining the local organizations based on the factory employees often turn into the hands of the employers on personal interests because at the time of strikes and other disputes they enjoy very little influence outside the area in which they exist.

The workers join their unions only at the time of strikes, disputes or lock-outs, they always remain outside the union because of lack of union consciousness and fear of victimization. In most cases the employers are seen to have been very active in creating and supporting trade unions by their 'yes-men' and almost all the plants and establishments have more than one union claiming to represent the majority of the workers. This has created an obstacle in the development of a healthy trade union movement in the country. The fighting of unions on the right of representation makes them unable to perform valuable functions and duties for their members.[2)]

The employers are reluctant to see any value in the trade union and try to oppose them at every stage. In many cases, even if the trade unions are recognized, collective bargaining is possible only under the pressure of conciliation offers on both parties.

Trade unions mostly are helpless to perform their proper functions due to lack of leadership and financial resources.

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1. Mahmud, M.K., Trade Unionism in Pakistan, op.cit., pp. 26-27.
2. Quasem, M.A., The Trade Union Movement in Pakistan, unpublished paper, prepared for the National Institute of Labour Administration Training, Karachi, 1966, see pp. 37-38.

3.1.1.2. Central Worker Organizations

There is a number of central and regional federations, to which most of the local unions are loosely federated. Before the emergence of Pakistan all trade unions in the area now known as Pakistan, were affiliated with either of the two national labour organizations in British India, namely the All India Trade Union Congress (AITUC) and the Indian Federation of Labour (IFL).[1)]

In 1947 the leaders of the IFL decided to form a new labour federation for Pakistan. M.A. Khan organized the Pakistan Federation of Labour (later known as the West Pakistan Federation of Labour) which at its inception claimed to have the affiliation of 22 unions with a membership of about 50,000 by 1949. The number of unions increased to 47 and had a membership of about 90,000 workers.[2)]

Mirza M. Ibrahim and M. Afzal, well known communist labour leaders, organized another national federation, 'Pakistan Trade Union Federation' (PTUF) at Lahore in 1948, and affiliated with the 'World Federation of Trade Unions.'[3)] The PTUF extreme left wing labour union was concentrated mostly in the areas of Punjab, with an aim to create a class conscious proletariate. It succeeded in organizing a large number of unions within a very short period of time. It was a strong union until 1951 when it split into parts and a new rival national centre was formed which reduced its strength.

The PTUF was alive until 1954, when the communist party was banned and the headquarter of the PTUF was closed by the government. Practically it has ceased to exist, although no formal declaration of the dissolution had been announced.[4)] The same federation started its activities under the new leaders soon after the downfall of the first

1. Mahmud, M.K., Trade Unionism in Pakistan, op.cit., p.17.
2. Government of Pakistan, Proceeding of the First Pakistan Labour Conference, Karachi Feb. 1949, see p. 5.
3. Ibid., p. 19.
4. Sarwar Rizvi, S.A., Industrial Labour Relations in Pakistan, Karachi NISER, 1973, see pp. 32-34.

military regime in 1969.

The most influential central labour organization is the All Pakistan Confederation of Labour (APCOL), which came into existence with the cooperation of federations of both regions in September 1950 with A.M. Malik as its president. APCOL was originally identified with the ruling Muslim League, now it is relatively independent from the party influence.[1] It has ever since its establishment maintained a dominant position on the Pakistan labour front. It is affiliated with the International Confederation of Free Trade Unions and claimed a membership of about 250,000 workers.[2]

A new federation, the 'Pakistan Mazdoor Federation' (PMF), was organized with socialist leaning in 1951, as a few top leaders of PTUF withdrew from the federation, with Khawaja M. Hussain and Fazal E. Qurban as its President and Gen. Secretary respectively.[3] At present the communist element is believed to be small and after the 1958 military take-over its activities were wiped out entirely. This organization has not been affiliated with any international organization.

Many powerful unions broke away from the APCOL in 1961, because of rivalries in leadership. A new labour organization, 'Pakistan National Federation of Trade Union' (PNFTU), was formed in 1962, with M. Sharif as its president. This federation was formed mostly with the support of the Petroleum Worker Unions and Karachi Shipyard Workers Unions. Since then this Federation is affiliated with the ICFTU. It is claimed that the new federation started only with 23,000 members in 1962, which increased in a short period to 150,000 members with 316 unions affiliated till December 1975.[4]

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1. Wilber, D.N., Pakistan, its People, its Society, its Culture, (New Haven, Connecticut, United Printing Service Inc., 1964), p. 330.
2. Naik Muhammad, A Report Prepared for the NILAT Karachi, 1966, p. 52.
3. Sarwar Rizvi, S.A., Industrial Labour Relations in Pakistan, op.cit., p. 34.
4. PNTUF Annual Report, Karachi, Jan. 1976, p. 9.

In 1963 there was a general strike in the industrial areas of Karachi which resulted in the killing of workers. The militant trade unions wanted to serve a political purpose by creating chaos, which led to another split among the leadership of APCOL. A new federation, the 'All Pakistan Federation of Labour' (APFOL) was formed and affiliated with the ICFTU in 1966. This federation claimed 350,000 workers as its registered membership.[1)]

3.1.2.3. Size of the Trade Unions

As the local unions are usually confined to workers of one factory or plant, the size of the plant or factory is the basic factor. Pakistan's industrial sector has generally a large number of small establishments of mostly consumption goods. Table-5 gives the distribution of trade unions according to various membership groups during the year 1962.[2)]

Table-5

Membership group	Reporting Number	Trade Unions Membership	Percent Union-	Memb.
Under 50	70	2,091	18,5	0,78
50 and under 100	77	5,370	20,4	2,00
100 and under 300	109	19,350	28,9	7,21
300 and under 500	52	21,046	13,8	7,66
500 and under 1,000	32	23,644	8,5	8,83
1,000 and under 2,000	18	24,834	4,8	9,27
2,000 and under 5,000	16	44,428	4,2	16,59
5,000 and under 10,000	1	9,355	0,3	3,49
10,000 and under 20,000	1	19,312	0,3	7,21
20,000 and over	1	98,445	0,3	36,76
All groups	377	267,879	100%	100%

1. PNTUF Annual Report op.cit., p. 8.
2. Pakistan Labour Gazette, Vol. xiii No. 4, Oct.-Dec. 1965, published by the Ministry of Labour and Social Welfare, Karachi, p. 926.

It may be seen from table-5 that the membership of the average trade unions lies between 100 and 300, which makes it clear that the size of the trade unions in Pakistan is very small and consequently ineffective. In addition, this small size is responsible to make it a more serious matter when the unions have so little funds to render social services to their members.

3.1.3. Industrial Relations System

3.1.3.1. Recognition of the Trade Unions

The right to organize into trade unions was recognized by the colonial government under the Trade Unions Act, 1926, to regulate trade union activities.[1] The law allowed participation of outsiders in the executive body of the union to the extent of 50 per cent of the office holders, but no provision was made for recognition of a registered trade union for the purpose of collective bargaining. This law continued in Pakistan more or less unaltered till 1960.[2]

As there was no compulsion for the employer to recognize the trade unions, such recognitions or rather the lack of them was the major cause of industrial unrest and conflict among the workers and their employers. In many cases the executive members of the trade unions were terminated from their employment for such legislative trade union activities, which was one cause of hindrance in the development of the trade union movement.

This situation was not changed until 1961, when a new provision was made in the Trade Union Act, requiring compulsory recognition of a registered trade union. There was another hindrance in the process of recognition of the

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1. Khalid Mahmud, Trade Unionism in Pakistan, op.cit., see p. 41.
2. Mohsen, M.A., Industrial Relations, paper presented at the Conference held at Geneva, ILO, 1975, p. 245.

union as there were more than one trade union in many cases, which made the matter more complicated. In order to settle the matter it was made clear that trade unions would be recognized which had a majority, not less than 10 per cent of the membership.[1)]

"Where there is only one registered trade union in an establishment, that trade union shall, if it has as its members not less than one-third of the total number of workmen employed in such establishments... be deemed to be the collective bargaining agent for such establisments, where there are more registered trade unions than one in an establishment, the Registrar shall hold a secret ballot to determine as to which one of such trade unions shall be collective bargaining agent."[2)]

It is also compulsory to get a certificate from the registrar to prove that a particular trade union is empowered to negotiate on the behalf of the workers. Certificates are issued to the registered trade unions for a stipulated period during which no other union has the right to represent the workers. After the expiry of that period, again a ballot is held to select the new bargaining agent.[3)]

Although this new law provides some sort of protection to one union during the period it is under registration, on the other hand the rival unions did not show any warm interest and solidarity due to their own grievances. In addition to this, it is a common practice that mostly the genuine trade unions are not able to get their names registered as the employer uses his influence to get the

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1. Mohsen, M.A., Industrial Relations, op.cit., p. 245.
2. Government of Pakistan, The Industrial Relations Ordinance 1969, Ministry of Law and Parliamentary Affairs, Islamabad, Manager of Publication, Karachi, 1973, pp. 13-14.
3. Ibid., p. 9.

trade unions in his own interest registered by providing his own evidence. It is so because of the multiplicity of the trade unions and lack of consciousness of unity and solidarity among the workers and their leaders.

3.1.3.2. Labour Disputes

It is not uncommon to treat the activities of organized labour as anti-state and subversive in Pakistan. In most cases the right of protest and strikes was denied and suppressed, which consequently led to unrest among the industrial workers in the last two decades. The major reasons which raised disputes between the workers and the employers are the low wages, bad working conditions, poor medical and lack of housing facilities and many other matters like the recognition as bargaining agent and disciplinary actions.

Because of the increasing number of industrial disputes and labour unrest the whole industrial production and the economy as a whole has been affected badly, which led to further deterioration in the employment situation in the country and raised the number of unemployed people.

An over-all picture of the number of labour disputes, number of workers involved, and the man-day lost during the last two decades can be observed from table-6, given below.

Table-6 [1]

Year	Number of Stoppages	Number of Workers involved	Mandays lost
1954	107	65,831	283,994
1955	75	42,103	283,994
1956	150	111,831	121,312
1957	150	188,001	374,915
1958	93	89,954	308,321
1959	29	32,954	516,971
1960	42	25,749	50,990
1961	54	26,303	78,765
1962	121	69,482	79,191
1963	215	218,601	387,847
1964	228	243,943	1,823,196
1965	152	105,608	4,195,524
1966	170	177,309	471,338
1967	203	344,679	494,575
1968	153	120,927	2,344,164
1969	285	184,982	478,291
1970	304	193,807	1,220,377
1971	141	107,962	2,747,959
1972	779	361,149	815,211
1973	536	233,568	2,018,308
1974	370	301,753	1,433,553

Table-6 shows that the number of strikes and lockouts has been increasing since 1962, when the military regime lifted the bane from the trade union activities and introduced a new constitution which was followed by an increased number of riots and a disturbed law and order situation in the following years.[2]

The low number of strikes in 1971 was due to the operation of prohibitary laws like the Defense of Pakistan Rules, the internal political unrest, and war with India. The years after 1969 and especially since 1972 seem to indicate that about 40 per cent of the workers employed in factories including 20 or more workers, were involved in strikes.

1. Government of Pakistan, Pakistan Labour Gazette, Ministry of Labour, Health and Social Welfare, Vol.XXIX, p. 40.
2. Sarwar Rizvi, S.A., Industrial Labour Relations in Pakistan, op.cit., pp. 37-38.

The only legislation which provided a legal solution in the case of industrial dispute was the Industrial Dispute Act 1929, which was adopted by the government and since then is called the Industrial Dispute Act, 1947, with no change after the independence. According to this Act, strikes and lockouts were banned in all public utility services, unless a notice of not less than fourteen days is given to the other party. It was further restricted to strike during the period when a case is under consideration. The law also provides penalties for illegal strikes and lockouts.[1)] In the last years this Act was amended, declaring practically all important industries in the country as public utility services. Thus adjucation was made compulsory for disputing parties, which used to take a long time to provide a solution due to the lack of permanent machinery and staff for this purpose.

The situation was so serious that the ILO mission was called to study it. The ILO Mission recommended the appointment of more conciliation officers, who should be obliged by the disputing parties to take part in the proceeding, further that permanent Industrial Tribunals should be established and provisions should be made to enforce the awards of the industrial courts.[2)] But very few steps were taken to overcome the problems.

The Industrial Dispute Act, 1947, was further amended in 1958, and again in 1959. The major provisions provided under the new Ordinance included some 27 industries as "public utility". Furthermore the provincial and central

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1. Akhtar, S.M., Economics of Pakistan, Vol. II, (Lahore, United Publishers Ltd., 1963), pp. 88-89.
2. Ibid.

governments were empowered to declare any industry as "public utility for six months in case of emergency."[1] In general it was provided under this Act to make it impossible to strike. Prior to any action a notice was compulsory, further it was essential for the disputing party to seek conciliation, in case these efforts failed, and it was compulsory to approach the court before taking any action. Once the court gave awards, it prohibited to strike during the operative period of the award.

A new amendment has been made for the settlement of industrial disputes under the present Industrial Relations Ordinance 1969, and permanent Labour Courts have been provided for abjudication, but the party may have the right to go on strike, strike however, is not permissible in the case of public utilities.[2]

3.1.3.3. Collective Bargaining

The right of joint consultation and collective bargaining is not recognized in many fields, which consequently failed to promote cooperation between the public authorities, employers and workers representatives at all levels. Armed forces, para military, police and ordinance employees have not been permitted for collective bargaining under the present Industrial Relations Ordinance. In addition, the administration of state employees is also excluded from the right of collective bargaining. Only bilateral negotiation is allowed, and the bargaining agent may send a letter indicating the points of disputes to the employer. Upon this letter of demands the parties are required by law to undertake negotiation. In the case of a failure the matter is put forward to the State Conciliation Machinery. In the case of disagreement, the party

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1. Raza M. Ali, The Industrial Relations System of Pakistan, (Karachi, Bureau of Labour Publications, 1963), p. 51.
2. Government of Pakistan, The Industrial Relations Ordinance, 1969, op.cit., p. 31.

raising the disputes is free to take the matter to the labour court or force the trial of strength.[1)]

In the early 1950s the field of collective bargaining was covering the question of employment and non-employment, terms of employment and all other matters relating to them, whereas it is provided in the present Industrial Relations Ordinance 1969, that no industrial disputes on matters of right guaranteed by law, agreement, settlement or award can be raised and no collective bargaining is permissible.[2)]

In general, instead of collective bargaining the emphasis was given on compulsory adjudication. In most cases the workers had no right of collective bargaining in all major industries. Industrial courts could not decide the disputes for years because of lengthy procedures and other technical problems, i.e. shortage of staff. The workers lost their faith in the courts and started to curse the employers by strikes, go-slow and other pressure methods, which caused frequent work stoppages and reduction in the industrial production. Since it was not possible to achieve their objective by constitutional means, the workers also began to lose their confidence in the labour leaders who were in control of the trade union movement, which suffered a great setback. It is more desirable to appoint an efficient conciliation machinery and the Industrial Court should make an amendment in their procedures to decide the labour disputes in order to obtain industrial peace in the country.

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1. Mahmood Akhtar, Industrial Relations - Retrospect and Prospect, A Paper presented at the Conference held at Geneva on Industrial Relations, ILO 1975, see p. 240.
2. Mohsen, M.A., Industrial Relations, op.cit., p. 245.

3.1.3.4. Labour-Management Relations

A sound and healthy relationship between the workers and the management is essential to increase the productivity and efficiency in the national industrial production. Therefore, the main aim of the joint consultation should be to maintain an effective relationship to develop daily collaboration between the workers and the management. In the case of Pakistan, joint consultation has assumed a somewhat ritualistic position. Workers Committees were formed for this purpose on the pattern of "Whitley Councils" in British India, in 1958 in Pakistan.[1)] This experience was not very much accepted and the Committees did not get proper recognition for joint consultation and participation in management because of the management bureaucracy which approached labour relations with traditionally authoritarian and paternalistic attitudes.

Works Committees were primarily an advisory body on routine day to day matters which affect the workers. There was a little change in the situation in 1969, when simply the name was changed and the "Works Council" started its function which remained more or less the same as no real change was made.

In the present Ordinance related to labour relations, a 'Shop Steward' has been introduced in every establishment in which fifty or more workers are employed. The Shop Steward is nominated by the collective bargaining agent or elected at a secret ballot in the prescribed manner. He assists in the improvement for the physical working conditions and production work in the establishment, and helps workers in the settlement of their problems either connected with work or with the management.[2)]

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1. Mahmood, Akhtar, Paper presented in the National Seminar on Labour Management Relations arranged by ILO and the Government of Pakistan, Labour and Local Bodies Division, Islamabad, 1974, p. 48.
2. Government of Pakistan, The Industrial Relations Ordinance, Ministry of Law and Parliamentary Affairs, Karachi, 1969, Manager of Publication, Karachi, 1973, p. 22.

The new Act has provided a participation of workers in the decision making at plant level, and setting up management committees with workers' representatives in it. The law has provided that at least a 20 per cent representation should be given to workers and the management committee is obligad to consult workers on matters like promotion policy, welfare and social activities.[1)]

In order to improve labour-management relations there are other bipartite executive bodies and labour advisory boards which are tripartite and have representatives from employees, employers and the government. The purpose of these advisory bodies are discussions on mutual problems and guidance of the government regarding legislative and administrative matters of labour and management relations.[2)]

3.1.4. Trade Union Leadership

3.1.4.1. The Rank-and-File Labour Leaders

Leadership, as an important factor in the activities of trade unions, is almost lacking in the case of Pakistan, The workers never take part actively because of the fear of victimization, lack of job security and unemployment. This may be due to various reasons, such as harassment by the government authorities, illiteracy and no protection for the union officials from being fired, punished and victimized by the employers.

A very small number of trade union leaders came from the rank-and-file status, i.e. the prominent leaders of the labour movement, M.A. Khatib and Faiz Ahmed had been working as seaman and docker respectively.[3)]

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1. Government of Pakistan, The Industrial Relations Ordinance, op.cit., p. 23.
2. Raza M. Ali, The Industrial Relations System of Pakistan, op.cit., see pp. 154-155.
3. Weatherford, W.D., Pakistan, in: Labour in Developing Economics, ed. by W. Galenson, (Berkeley University of Calif. Press, 1962), see p. 48.

There are other labour leaders like Mirza Ibrahim, Aftab Ali, B.A. Bakhtiar, Rehmatullah Khan and Umir Din. Many of them are persons, who did not belong to the workers but devoted themselves to the cause of the workers and have a long experience of trade union activities. Others, however may be discharged for trade union activities, while having no other option they became active trade unionists and prominent labour leaders.[1] Undoubtedly there are very few union leaders who are dedicated to the real cause of labour and work hard to achieve it.

In general, the majority of the labour leaders have failed to offer any concrete proposals for the union programmes, simply because of lacking leadership skill and due to educational barriers.

3.1.4.2. Outsiders as Union Leaders

The important feature of the union leadership is the large number of non-workers, who are the responsible leading figures in the trade union movement in the country, including many professionals, mostly legal practitioners, politicians and social workers.

The fear of being fired and discriminated by the employers has let the trade union seek spokesmen who are mostly lawyers, free from any sort of pressure or victimization, to become officials of the trade unions. Since they are outsiders they can negotiate without fear with the employers for the cause of the workers. It may be argued that in the case of most developing countries the outside leadership is necessary for an effective organization and the improvement of the labour-management relations where the majority of the workers are illiterate.[2] But in most cases the outsiders often are active for

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1. Mahmud, M.K., Trade Unions in Pakistan, op.cit., p.52.
2. Weatherford, W.D., Pakistan, in Labour in Developing Economics, op.cit., see p. 47.

reasons of personal aggrandizement and therefore not necessarily possess that sympathetic feeling with the cause of labour which a leadership drawn from the rank-and-file can command.

The outside leadership was encouraged by the trade union Act, 1926, under the British rule, which stated that "up to one half of the total number of officials of every registered trade union may be persons who are not actually engaged or employed in the industry with which the trade union is connected."[1)]

It is mostly lawyers who enter into this field for political and personal prestige, although the movement is too poor for such achievement. There are many leaders who serve as officers in many different unions under different capacities which reduced their effectiveness and interest in the manifold responsibility and their divided attention. It was reported by the ILO "that professional persons sometimes hold office in several unions, one man being president of as many as twenty."[2)]

In such extreme cases the leaders hold a dominating position and sometimes become authoritative in attitude and even as spiritual leaders who simply dictate their personal policies and practice undemocratic means in order to carry on with their hazy ideas.

Many politicians entered the trade union movement for their own gain, making inflammatory speeches on the theme that wages should be higher. No formula for wages was extended and not even a study of wages was conducted till the 1960s. It is reported by a prominent labour authority that every labour leader is looking for to be nominated to represent labour in foreign conventions by the government

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1. Andrus, J.R., and Azizali, F., The Economy of Pakistan, (London, Oxford University Press, Karachi, Dacca, 1958), p. 447.
2. Ibid., p. 448.

and "they are too busy in other considerations and temptations to keep their hold and visit foreign lands when most of them before could not move out of their home towns."[1)]

In most cases the outsiders usually newcomers to the field of politics join the trade union movement with a view to establish their position while having very lofty ideals and no understanding of the real problems of the workers and the trade unions as the situation is in the case of certain trade union leaders of Karachi.[2)] Their real aim has been to utilize the working force of the country to achieve their goal, which is mostly personal and then they left the unions.

With regard to economic and social conditions the pattern of Pakistan society has not yet been able to follow a democratic path simply because of the colonial heritage, mass illiteracy and the authoritarian and bureaucratic attitude of the ruling elite which hindered the development of a healthy democratic leadership in the trade union movement. Although the old leadership in Pakistan has lost its popularity their hold on the labour movement is still strong, which reduces the possibility of the younger generation to take over this job.

Moreover, due to the multiplicity of labour federations the leadership is bound to be the victim of persnal rivalries, and the working class is not aware of the personal rivalries of their leaders because an average worker is mainly concerned with the physical existence of his dependents.

The leadership is also divided on the basis of political leanings. Trade unions are not openly aligned with

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1. M. Shafi, Annual Review of Labour Problems, 1960 (Karachi, Bureau of Labour Publications, 1961), p. 3.
2. Mahmud, M.K., Trade Unionism in Pakistan, op.cit., see pp. 51-52.

the political parties, still trade union leadership comes from various political parties, for example trade union leaders like Abu Saeed Anwar and Chaudar Rehmat Ullah come from the Muslim League, and Shirazi and Zahur Ahmed come from the Awami League.[1)]

Radical and extreme left oriented labour leaders were very active in the early 1950s, such as M. Ibrahim and Mohammad Afzal who were active in the Communist Party which was banned in 1954. Since then their influence seemed to be reduced although a few leaders are still trying to organize workers with the same motto.[2)]

From the point of view of rank and file labour leaders the present situation is encouraging, because the law has been amended since 1969, and a provision has been made that the number of outsiders must not exceed twentyfive per cent of the total executive members of the unions.[3)]

But the problem still remains, as the workers are mostly scattered and unorganized. A majority of them are still ignorant of the value of their organizations, because very few workers have the training and education on labour matters which would enable them to take their place among union leaders.

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1. Mahmud, M.K., Trade Unionism in Pakistan, op.cit., pp. 53-54.
2. Sarwar Rizvi, S.A., Industrial Labour Relations in Pakistan, op.cit., p. 34.
3. Government of Pakistan, The Industrial Relation Ordinance 1969, Ministry of Law and Parliamentary Affairs, (Karachi, published by the Manager of Publication, 1973), p. 6.

3.1.5. Role of the Government

3.1.5.1. Labour Policies

In the development of Pakistan's economy the government has played a pre-eminent role because there was a wartime control system prevailing at the time of partition of the British Empire. A major problem facing the national economy was the departure of Hindu and Sikh businessmen, which created a big gap in trade and industry.[1] The process of industrialization actually started in Pakistan after the 1950s when a six-year Colombo Plan was scheduled, which was not a complete success because of the lack of essential information and basic data and due to the lack of planning experience.[2]

There was no government labour policy and it was the feeling of the workers that the government had no intention to support the trade union movement. The question of formulation of a labour policy was postponed on the ground that sufficient data was not available. Although the demand came from the trade unions and other organizations for an early announcement of labour policy. Most of the political leaders in fact had the backing of landlords and industrialists, who were least interested in the cause of workers. After strong protests and country-wide disturbances the government was forced to announce the first labour policy.

In August 1955, the Minister of Labour declared, "it is the policy of the government to encourage growth of genuine and healthy trade unions in order to promote healthy collective bargaining on the part of labour and to enable it to conduct negotiations with due appreciation of the country's economy ... Economic progress demands industrial peace and in this country, where industrialization is in its early stages, the government is

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1. Government of Pakistan, The First Five Year Plan 1955-60, National Planning Board (Karachi, Manager of Publications, 1958), see p. 7.
2. Ibid., see pp. 8-9.

anxious that while labour gets its just rights, industry is not hampered by unnecessary upheavals and strikes. Likewise, while government desires that genuine trade unionism be recognized, they want to ensure that trade unionism is not exploited for political purposes."[1)]

As a matter of policy the industrial workers were ensured by the government and promised to:

a) "raise the standard of living and working conditions of workers and ensure them a reasonable return for their labour; (b) provide social security for all workers by means of social insurance or otherwise to the extent the economic conditions permit; (c) ensure that factories have proper standing orders and the system of works committees and joint consultative committee in the interest of efficiency and production, labour officers and similar organisations for looking after the welfare of labour and for permitting labourers to bring their legitimate grievances to the notice of the employers; (d) take steps to see that the workers are properly fed, clothed and housed, better educated, given technical training and provided with amenities which may help to make them useful to the state and lead a happier existence; (e) encourage healthy trade unionism, collective bargaining for industrial peace and progress."[2)]

The policy statement included many valuable and ambitious objectives, most of which were just statements and never carried out in the whole decade until the military take over in 1958. The political situation from 1947 to 1958 became increasingly strained which led to a rapid change of governments and made all the labour welfare provisions of the previous regimes ineffective.[3)]

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1. Ministry of Information and Broadcasting, Government of Pakistan, Labour and Employment in Pakistan, Development Planning Series 1973, (Karachi, Ferozsons Ltd., 1973), p. 10.
2. Ibid., p. 11.
3. Wilber Donald, M., Pakistan, its People, its Society, its Culture, (Connecticut, New Haven 1964) pp 217-18.

After a successful coup in 1958, the military seized the power. It was necessary to create a goodwill among the working class, therefore many promises were made to reduce the tension and severe strife between labour, management and employers. In 1959 the military regime announced its new revised labour policy which was not different from the previous one in fundamentals, while the government wanted to be sure that no more labour unrest should occur and in this consideration imposed a number of restrictions against strikes and lockouts. The main principles of the policy were:

"(a) the policy shall be based on ILO conventions and recommendations ratified by Pakistan,

(b) the healthy trade unionism is essential for a stable social structure, with greater production and equitable distribution of wealth,

(c) agitations and tensions in industrial and commercial undertakings and other fields of human endeavour should be discouraged. The settlement of industrial disputes should be secured through constitutional means, such as joint consultation, voluntary arbitration, conciliary mediation and abjudication.

(d) suitable measures should be adopted for providing social amenities to workers regarding their requirements of health, education, recreation, housing, wages and similar other needs in relation to their work,

(e) the government would give due importance to research and collection of statistics concerning working and living conditions of the workers.

(f) the government would take suitable steps to ensure proper employment of seamen in the country and abroad, it will also take steps to ensure their regularity of employment, fair wages and social amenities.

(g) social welfare is not the responsibility of the state alone. Private industries and organizations

should also pool their resources in a cooperative manner to provide for social welfare amenities."[1)]

In order to implement these objectives the military regime enforced various pieces of legislation. A critical analysis shows that despite high standing objectives the right of collective bargaining was not given to trade unions. The Industrial Disputes Ordinance of 1959 was amended, which restricted every possibility for strike. Moreover, no person employed in public utility services was allowed to go on strike. The Industrial Courts were given unlimited power and their awards were final in the case of industrial disputes and could not be challenged in any court of law.

Legal practitioners were not allowed to protect the workers before the industrial court with the exception of certain cases. There is no doubt that the military regime under Ayub Khan has established a political stability in a short period leading to a favourable situation for economic progress and national development. But the major consideration was given to a rapid economic growth rate providing maximum encouragement and support to the private industrial sector. The social sector, especially the equitable distribution of income and social justice were mostly neglected.

In addition to this it was largely claimed that during the whole decades 1958-68 there was an over-all development in the economy and an increase in per capita income from Rs. 318 in 1959-60 to Rs. 515 in 1957-58.[2)] Yet it is a common knowledge that the economic policies of the Ayub's regime led to a concentration of wealth and industrial power in the hands of a very few. A prominent economist, Mahbub ul Haq, claimed in 1968 that some of the 20 largest families

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1. Akhtar, S.M., Economics of Pakistan, Vol. II, op.cit., pp. 90-91.
2. Government of Pakistan, Planning Commission, Socio-Economic Objectives of the Fourth Five Year Plan, 1970-75, (Islamabad 1968), pp. 1-2.

"controlled 66 per cent of the total industrial efforts of the country, 70 per cent of the total insurance funds and 80 per cent of the total bank assets."[1)]

This rapid industrial growth with a high monopolistic power and a high growth rate was "accompanied by an increase in the number of poor people and a decline in their standard of living."[2)]

As a matter of fact, the growing inequality and a rapid increase in food prices led to industrial unrest and strikes which broke out at the end of 1968 and during the early 1969 reached its peak on March 17, when about 2,5 mio workers observed a one-day token strike for higher wages, for the right to strike and trade union's freedom.[3)] The labour unrest took the form of a revolt against the prevalent economic system as well as against the military regime.

In 1969 Pakistan was once again placed under Martial Law. As usual the new military authorities announced an eight point labour policy to reduce the grievances of the industrial workers in order to restore industrial peace. The principles of the policy were:

1) "Freedom of association so that the workers are able to form trade unions of their own free choice and select their representatives through secret ballot;
2) strengthen the scope of collective bargaining by conducting the right to strike;
3) a fair and equitable living minimum wage;
4) oonsolidation and simplification of labour laws, strictly in accord with ratified conventions of ILO;
5) review of schedule of essential and public utility services to reduce them to barest minimum;

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1. White, J.L., Industrial Concentration and Economic Power in Pakistan, (New Jersey, University Press Princeton, 1974), p. 46.
2. Griffen, K. and Azizur R. Khan, Growth and Inequality in Pakistan, op.cit., p. ix.
3. Khalid B. Sayeed, Development Planning and Policy in Pakistan 1950-70, op.cit., p. 127.

6) effective implication of labour laws (existing as well as new) for protecting the right of the workers including the minimum wages;
7) uniform application of labour laws without discrimination between public and private sector; and
8) relating the wage structure to productivity by increasing workers stake in quality and quantity of production."[1)]

The labour policy announced by the martial law regime sparked off a movement of strikes by the industrial workers throughout the country. Although the policy was relatively comprehensive and included some new legislature for the well-being of the workers, industrial relations in the real sense were little improved. It is important to note that merely passing the ordinance is not a guarantee of its implication, whereas perhaps the intention was simply to control the situation by giving only legislative service rather than doing something in the interest of workers.

During the years 1969-71 the worst crisis leading to civil war resulted in the fall of the eastern part of the country which became an independent state, Bangla Desh.

When the people's elected government came into power in Dec. 1971, Z.A. Bhutto in the early 1972 introduced his labour policy, appropriately called "a new deal for the labour". This policy was elaborated and enlarged after discussion in the Tripartite Conference in August 1973. In this policy Bhutto declared that the "new labour policy will guarantee to workers their fundamental rights consistent with the requirements of industrial development, ... we have tried to introduce certain basic reforms, which were

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1. Government of Pakistan, Labour and Employment in Pakistan, Development Planning Series, 1973, A Report produced for the Planning Commission, Karachi, Ferozsons Ltd., 1973, pp. 16-17.

long overdue but which no previous government dared to introduce. The iniquitous economic system that has prevailed for so long cannot be changed in a day. But we are making a determined beginning in the highest interest of the workers."[1] The main features of the policy are:

a) "Workers will be given the right of participation in the management to the extent of 20 per cent at factory level;
b) the share of the workers in the annual profits will be raised from two and a half to five per cent;
c) in order to make the trade union movement more effective, shop stewards will be introduced at the lowest industrial production level, and works councils will be established with a wider scope including all matters of workers grievances with the employers;
d) to ensure that workers grievances recieve full and efficient justice the Labour Court will give its decision within 7 days, and on the matter relating to settlement of collective disputes the Court's award will now be given within 30 days.
e) the workers can form their trade unions without any fear of victimization and during the pendency of an application of a registration, no officer of a trade union can be dismissed, discharged, transferred or otherwise punished without prior permission of the registrar;
f) a National Industrial Relation Commission has been set up to promote rapid development of healthy trade unions and national labour federations;
g) specific measures will be taken to provide adequate security of job to all workers including seasonal and contract workers;

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1. Government of Pakistan, Pakistan Labour Gazette, Vol. xix 1971-72, Ministry of Labour and Works, Islamabad, (Karachi, Manager of Publications, 1972), p. 1.

h) the deduction of 2 per cent from the wages of workers under the Social Security Scheme providing medical and other facilities has been abolished and the contribution of the employer has been raised from 4 to 6 per cent;
i) education up to matric level will be provided free of cost to one child of every worker;
j) provision for old age pension will be made for all workers at a certain age. Compulsory group insurance against death and injury when off duty will be introduced."[1)]

In spite of very impressive provisions made in the new labour policy, the workers are not very much satisfied as these new policy measures like the previous ones in practice are only "legislative measures". Yet the People's Regime seems to have a firm faith in giving all the due right to industrial workers provided through the amended legislature.

But if we analyse the labour unrest in the country during the last three years, it is not difficult to observe that the performance of the new policy is not very impressive. Since 1972 the number of strikes and other disputes is very high, involving more than 50 per cent of the organized labour.[2)]

As the employers are not supporting these policies, saying that a poor country could not afford to provide so many concessions to the labour, it rests upon the government pressure to implement these enlightened provisions to meet the demands of the workers.

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1. Government of Pakistan, Pakistan Labour Gazette, 1971-72 op.cit., see pp. 1-4.
2. See table 6 on p. 65 in this study.

3.1.5.2. Labour Legislation

Pakistan inherited about 100 labour Acts from British India at the time of partition and many more labour Acts have been passed by the central government since 1947, but most of them are minor modifications of the existing legislation. It could be argued that all these laws would have been sufficient to provide a proper solution of the existing labour problems. However, their effectiveness and their impact on the working conditions of the civilian labour force were not more than 10 per cent who were protected under these laws.

The situation has changed a little during the last decade under the military regime when a few amendments were made to satisfy the working people. According to the new labour policy "labour laws are applicable to factories employing ten or more workers with a provision that provincial governments may extend it to factories employing 5 or more workers also; to mines, railways, shops and commercial establishments, contract workers, sea-going vessels, docks and ports."[1] Under these laws about 3o per cent of the labour force are supposed to be protected, whereas the rest is still out of the protection of law.

The following labour laws are the main laws which have been subject to change from time to time under the labour policy:

1) The Factory Act, 1934, superseding a similar Act of 1911, under British rule: widened control over matters of the hours of work, rest period in factories, health and safety of the workers, holidays and overtime regulations. This Act however, was applied only to factories employing 20 or more workers wherein any manufacturing process was carried on with the aid of power. This Act is now being made applicable to factories employing 10 or more workers whatever may be the mode of production. Hours of work are limited to nine per day and 48 per week, women are not permitted to night work. Workers employed in the factories

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1. Sarwar Rizvi, S.A., Industrial Labour Relations in Pakistan, op.cit., p. 58-59.

have been entitled to holidays with pay admissible to Government employees.[1]

2) The Payment of Wages Act, 1936, provides for the payment of earned wages, but this Act was applied only to workers earning Rs. 200 or more as monthly wages, whereas the vast majority of workers were not covered under this law. This limit was fixed in 1936, even before independence. Under this law it was provided for an appointment of an officer to inquire into labourers grievances, particularly the non-payment or irregular payment of wages, deductions of pay for sickness. Its purpose was to remedy the habit of some employers who persistentky withheld wages and arbitrarily imposed fines in order to retain an undue hold over their labour forces. This Act has also been made applicable to the establishements of contractors and extended to all persons drawing wages up to Rs. 1,000 p.m.[2]

3) The Workmen's Compensation Act, 1923. Under this Act, a workman might obtain compensation in cases where personal injury was caused by accidents occuring at the working place, provided he had followed the instructions for safety rules. The weakness in this legislation was that it did not cover workers drawing wages exceeding Rs. 500 and also it did not cover the clerical and white collar workers. The scope of this Act has now been enlarged so as to cover all workers earning wages up to Rs. 1,000, since 1972.[3]

4) The Minimum Wages Act. Under the military regime a Minimum Wages Board was established to work out minimum wages for unskilled industrial workers in order to remove the differences in the wages for similar work in different regions. Under this Minimum Wages Ordinance, 1961, the responsibility for fixing wages lies with the government after due consideration of the Boards recommendations, Minimum wages must be reviewed after one year if economic conditions and the cost of living change. The wages fixed by

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1. Shafi, M., Up-to-Date Labour Laws, Bureau of Labour Publications, Zam Zam Chamber, Karachi, 1975, pp. 38-41.
2. Ibid., Section 4, pp. 2-3.
3. Ibid., Section 5, p. 7.

the government were far below the living wages. Not until the second military regime in 1969 the wages for unskilled workers in industrial and commercial undertakings employing 50 or more workers, were fixed at Rs. 140 p.m. for the Karachi area, Rs. 125 p.m. for industrial areas and Rs. 115 p.m. for other areas.[1] The People's Regime have not increased the national minimum wage but a number of cash and non-cash benefits have been granted to workers. On the other hand the real wages of the workers are continuously declining according to a rising trend in the price index whereas money income remains constant.[2]

5) The Industrial Relations Ordinance: Under this Act the two laws passed by the British regime before independence were amalgamated with amendments. One was the Trade Union Act, 1926, which provided the recognition of the workers organizations, and gave the unions immunity against civil or criminal proceedings in respect of trade disputes. The other was the Industrial Disputes Settlement Act, 1947. just passed before the partition. This Act provided compulsory arbitration for the settlement of industrial disputes as an alternative to mediation and conciliation efforts. The increasing number of strikes made it apparent that some better machinery must soon be established to handle such disputes. In the past this Act has been criticized from various directions. The two main objects of this Act were to prohibit strikes and lockouts during the conciliation and to achieve legal recognition of the trade unions. This Act was amended in 1969 under the second military regime, it provided efficient conciliation machinery and Labour Courts for adjudication.[3] This Act has been further changed under the new labour policy in 1972, removing all previous drawbacks. The trade unions have been given full protection of law, and one-man labour courts have been established to give its award quickly regarding the disputes of industrial

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1. Government of Pakistan, A Report on Labour and Employment in Pakistan, op.cit., p. 19.
2. Rizvi Sarwar S.A., op.cit., see p. 46.
3. Government of Pakistan, The Industrial Relations Ordinance, 1969, op.cit., see pp. 30-31.

workers.[1)]

6) The Social Security Ordinance: There is a number of Acts concerned with labour welfare which at the time of division of the British Empire were in force. Since then, both the scope and content of existing laws and the machinery for promoting labour welfare have been subjected to a process of scrutiny and improvement. The fund established for workers welfare and social security was previously contributed to by the workers and 2 per cent of their monthly wages were deducted. Under the new ordinance the deduction has been abolished and the contribution of the employers has been raised from 4 per cent to 6 per cent.[2)] Sickness benefits and old age pension have been provided under the new labour reforms.

To summarize the situation, there is little doubt that if all these labour laws were fully enforced, they would go a long way in improving the socio-economic conditions of the industrial working community. But to make a law is one thing and to implement it another. It is frankly recognized in official circles that it has not been possible so far to enforce labour laws because of the inadequacy and inexperience of the staff, i.e. "in East Bengal, in 1959, the Labour Commissioner had only 13 inspectors and 5 clerks to help him with his multifarious functions in a province of 37 million people."[3)]

Moreover, the effectiveness of the law is also poor because of illiteracy and ignorance of the working people, the abundance of labour, the powerful industrial elites and the political conditions of the country. This makes it clear that the possible salvation of their problems lies only in a strong democratic and disciplined trade unionism. There is no doubt that the lack of trade union activities over the last many years and a host of trade union leaders has created misunderstandings among the workers.

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1. Pakistan Labour Gazette, 1971-72, op.cit., see pp. 8-9.
2. Ibid., see p. 3.
3. Galenson, W., Labour in Developing Economics, op.cit., p. 67.

3.1.6. Economic and Social Conditions

3.1.6.1. Planning for Economic Development

The description of colonialism and the background of the socio-economic features of Pakistan's economy for a consideration of its basic problem, poverty, as indicated by the low per capita real income and rapidly increasing unemployment of the population, despite considerable progress through development planning since her independence, provides a perspective to the discussion of individual sectors of the economy directly related to the relative failures to achieve an improvement in standard of living of the general masses as well as the very retarded provision of wage employment in the non-agricultural sector.

At the time of partition in 1947, the newly created Pakistan was largely agricultural, clearly indicating the predominantly rural character of the economy, which contributed over 60 per cent of the national income; and about 80 per cent of the country's foreign exchange earnings came from this sector.[1] Between 1947 and 1955, the rate of growth of agricultural production was substantially less than the rate of population increase, which shows a natural increase of 1,5 per cent against 1,1 per cent per annum in agriculture, while the systems of production for the most part have remained primitive and average yields were among the lowest even among the developing countries.[2]

The industrial sector including mining and manufacturing was very small, consisting of a few factories employing some 26,400 on a daily basis; this sector contributed nearly 6 per cent to the GNP during 1949-50.[3] Because of the reductions in export earnings which followed after the Korean boom, and because of the restriction on the imports

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1. Andrus, J.R., and Mohammed, A.F., The Economy of Pakistan, (Stanford and London, 1958), p. 18.
2. Griffin, K. and Khan, A.R., Growth and Inequality in Pakistan, (London, 1972), see p. 65.
3. Pakistan Year Book, 1974, p. 171.

of manufacturing goods, the national entrepreneurs have shown increasing interest in new industrial undertakings, and a most striking industrial development has been achieved during the period of 1950-55. The growth rate was recorded to 9,2 per cent per annum, which gives clear evidence of the upward trend during the pre-plan period. However, the progress of the industrial sector was the outcome of the 'import control system' which remains an important instrument of government policy throughout the 1950s and 1960s.[1)]

The economic policy since independence has been oriented primarily towards accelerating the rate of growth in the GNP and has neglected the real objective of development and especially the development in the social sectors - education, health services, housing and in the matter of economic equity. This has caused increasing poverty and a very uneven distribution of income.

In order to overcome these problems, there has been a change in the approach to problems of economic development and a systematic planning has been adopted in Pakistan since 1955, when the first Five Year Plan became effective. However, the idea of a regional programme of economic development was first produced at a Commonwealth meeting in January 1950, and a development plan for six years was prepared that went into effect from the middle of 1951.[2)] It focused attention on the expansion of overhead facilities in such fields as communication power and irrigation. Because of lack of experience in the planning field it simply represented a list of projects which presumably could be completed within six years, but in general it was an unsuccessful attempt which led to more concrete economic planning.

Because of the lack of any attempt made to forecast the

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1. Lewis, S.R. Jr., Pakistan Industrialization and Trade Policies, (London, New York, Karachi, 1970), see p. 4.
2. Andrus, J.R. and Mohammed, A.F., The Economy of Pakistan, op.cit., see pp. 479-482.

demand or the availability of raw materials and partly because of ad hoc-decisions, the investments made by the government agencies were poorly organized and planned, which provides a justification for the need of development machinery framing economic policies and programmes. For this purpose a 'National Economic Council' as supreme economic agency with the President of Pakistan as its head was formed with an aim to modify and give final shape to the Five Year Plans drafted by the 'Planning Commission' with the cooperation of Provincial Planning and Development Departments.[1)]

The planning practices adopted by Pakistan's planners may be summarized as follows, stated by the head of the Planning Commission: "No doctrinaire assumptions underlie the Plan (i.e. the second Five Year Plan) and neither an exclusively capitalist nor an exclusively socialist economy is postulated. The approach throughout is pragmatic. The fundamental problem is how, under severely limiting conditions, to find some way towards the liberation of the people from the crushing burden of povery."[2)] Despite the belief in mixed economy the achievements in the social sector reflect that very little has been done to improve the socio-economic conditions of the poor masses and the situation in which Pakistan finds itself today is a direct consequence of the economic policies regarding growth and development strategies.

Despite numerous positive socio-economic objectives of the planning stated in the four Five-Year-Plans, which the country has completed during the last two decades, a thorough analysis of changes in GNP and real per capita income, unemployment situation, mass poverty and increasingly uneven income distribution, demonstrates that a new concept is required for the socio-economic development in the coming years, if Pakistan wants to overcome its economic problems.

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1. The second Five Year Plan, 1960-65, Pakistan Planning Commission, (Karachi, Pakistan, Government of Pakistan, 1960), pp. xii-xiv.
2. Brecher and Abbas, S.A., Foreign Aid and Industrial Development in Pakistan (Cambridge, England, 1972), see p. 34.

3.1.6.2. Economic Growth

A thorough analysis of the economy, in terms of aggregate national income and its composition, shows a considerable performance, which increased at the current price from Rs. 19,9 bio to Rs. 62,1 bio between 1950 and 1968 at a growth rate of 6,7 per cent per annum, but the growth rate varied for 1950-55, 1955-60, and 1960-68 as 1,3, 8,5 and 8,9 respectively. This was due to the relative contribution of different factors and the underlying transformation of the economic structure. But this increase in national inoome did not lead to an improvement of standard of living in general, rather it was achieved at the cost of sacrifices for large sections of the people. It is worthwhile to note that the mining and manufacturing underwent a remarkable increase, 13,9 per cent, and 9,9 per cent annually, whereas agriculture showed only 6,0 per cent increase during the same period.[1)]

According to the Planning Commission Report, the growth in real GNP over the last two decades (1950-70) increased at an annual rate of 4,1 per cent, whereas the rate of growth of per capita income over the last two decades was restricted to only 1,4 per cent per annum, showing a nominal increase in per capita of Rs. 7 over the first decade and Rs. 91 over the second decade, which rose from Rs. 311 in 1949-50 to Rs. 410 in 1969-70.[2)]

With regard to structural changes in production, in agriculture and manufacturing, remarkable changes have been achieved, but agriculture still remains the dominant sector which contributes 45 per cent of the GNP, while the share of manufacturing has been doubled from 6 per cent in 1949-5o to about 12 per cent in 1969-70, which reflects the fact that the economic policies of the planners were mostly

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1. Brecher and Abbas, S.A., Foreign Aid and Industrial Development in Pakistan (Cambridge, England, 1972), see p. 35.
2. The fourth Five Year Plan, 1970-75, Planning Commission, Karachi, Pakistan, Government of Pakistan, July 1970, see p. 2.

concentrated on forced industrialization neglecting the major agricultural and social sectors of the economy.[1] Because of two years of a very bad economic crisis (1969-71) followed by the downfall of the Ayub regime and the separation of East Pakistan, the estimated real growth in GNP declined to 2,6 per cent in 1974-75,[2] and the per capita income declined too, and since then it has hardly shown any improvement over the period 1970-75.

After the nationalization of the important heavy industry by the Bhutto government the private industralists held back new investment fearing the possibility of nationalization. Their investment fell from 2,221 mio Rs. in 1971/72 to 1,426 mio Rs. in 1974/75;[3] despite the government's declaration that no further nationalization in industry would be made, investment in the private sector remained significantly at a lower level, which affected the employment situation more adversely.

3.1.6.3. The Unemployment Situation

The problem of unemployment did not get a serious consideration from Pakistan's planners in the first decade of planned development. There is a lack of reliable and consistent statistical data on unemployment. The first, 'Pakistan Manpower Survey', conducted in 1955, presents a very contradictory picture of the overall employment situation. According to the results of this study, it was concluded that approximately a situation of full employment prevailed in agricultural economy,[4] but the actual situation described by the Planning Commission in 1965, was that there was about a 50 per cent ratio of unemployed and underemployed labourers to the total working force.[5]

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1. The Fourth Five Year Plan, 1970-75, Planning Commission, Karachi, Pakistan, Government of Pakistan, July 1970, see p. 2.
2. Pakistan Economic Survey, Finance Division, Islamabad, Government of Pakistan, 1975, p. 8.
3. Middle East and South East Asia Economic Survey, 1976, s. p. 304.
4. Gunnar Myrdal, Asian Drama, (Pantheon, New York, 1968) p. 1082.
5. The Third Five Year Plan, op.cit. p. 167.

However, a recent study on the employment situation in the manufacturing sector explains the real picture that despite an increase in labour-productivity and a contribution of manufacturing in the GNP,[1] there was a declining trend of employment in the industrial sector because of the increasing capital-labour ratio, as a result of economic policies pursued during the first decade of planned development (1955-65), such as accelerated depreciation allowances, tax rebates and tax holidays, which increased artificial incentives to promote capital-intensive industries and in return hampered the growth of employment. In addition to that the obstacles in this regard were the non-availability of appropriate technology to utilize the resources, and under-utilization of the existing capital stock, as well as the prevailing distribution of income, which affected the potential level of employment adversely.[2]

The employment policy of the first and second plan periods with very ambitious targets remained mostly unachieved, and the policy in the Third (1965-70) and Fourth Five Year Plans (1970-75),[3] while admitting that the objectives of full employment had proved to be more complex than was originally expected, aimed at a reduction of unemployment from 20,4 per cent in 1964-65 to 13,3 per cent in 1974-75. It is beyond doubt that some improvement was attained over the period from 1965-68, when the economy grew more rapidly; but since 1969 and 1971, an unfortunate combination of natural and political factors, and the flight of capital abroad paralyzed the entire economy of the country. The employment situation worsened and the price level and inflation, which reached its peak in 1974-75 have steeply increased. This had a more negative impact on unemployment.

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1. Ishrat Husain, Employment Aspects of Industrial Growth in West Pakistan, in: The Pakistan Development Review, PIDE, Islamabad, Vol. XIII, No. 2, see pp. 211-13.
2. Akhtar, S.M., Economic Development of Pakistan (Lahore, 1971), see pp. 99-100.
3. After the dismemberment of the country in 1971, the fourth Five Year Plan was abandoned and plans were formulated on an annual basis. The main objective was to give priority to the development of the social sector like health, education and employment.
   See Pakistan 1976, Official Handbook, Government of Pakistan, Islamabad, p. 56.

3.1.6.4. Mass Poverty and Income Distribution

Despite the considerable progress during the 1960s, serious problems remain. Open unemployment and overall poverty intensified the problems of the working people in urban as well as in rural areas. The income distribution has become fairly skewed in the process of economic development which affected the real wages adversely. Statistical information about the degree and extent of poverty and income distribution in Pakistan is rather limited. However, a recent study[1] has attempted to prepare rough estimates, while using two arbitrary scales of poverty, namely annual per capita expenditure of Rs. 250 and Rs. 300[2] for rural areas and Rs. 375 for urban areas. The study shows that about 27 per cent to 60 per cent of the population in rural areas is living below the poverty line in 1969-70, estimated on both the lower and upper limit of the 'poverty scale', whereas in the urban areas in 1969-70, 25 per cent to 59 per cent of the population was living below the poverty line estimation on both the lower (Rs. 300) and upper (Rs. 375) poverty scale.

Although the above study did not provide a true picture of the degree and magnitude of the problem, an estimate could yet be drawn about the extent of poverty, because a greater part of the urban and rural population is concentrated in the narrow range of per capita consumption.

In a study prepared by G.F. Papanek,[3] the views expressed above are supported; he argues that "the great inequalities in personal income and wealth were rather directly the consequences of Pakistan's pattern of development." He further states that, on the one hand "few families become absolutely quite rich, their wealth all the more obvious

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1. Naseem, S.M., Mass Poverty in Pakistan: Some Preliminary Findings, in: The Pakistan Development Review, PIDE, (Islamabad, Vol. XII, 1973), pp. 317-60.
2. Rate of exchange US Dollar 1,00 = Pakistan's Rupees 4,76 the rate prevailing during the period covered by the study.
3. Papanek, G.F., Pakistan's Development - Social Goals and Private Incentives (Harvard Univ. Press, Cambridge, Mass. 1967).

relative to the poverty around them. On the other hand, the new urban proletariat, crowded in the slums and shanty towns of the big cities, benefited little from development. Less obvious, but no less important are the inequalities in income in the countryside."[1)]

It is obvious that the overall development strategy during the 1950s and 1960s was to aim for a high rate of growth. Consequently the utilization of resources in favour of those whose average and marginal saving rates were thought to be relatively high caused wide disparities in income and resulted in denying a vast majority of the population a share in the national economic development. It is this factor which nullifies the plan for economic development, as the economic situation of the common man has not improved by fulfilling the plan targets; rather it has worsened.

However, a new development strategy is essential in this respect, but its relative success could not be achieved unless there were certain basic changes in the structure of the economy (oriented to employment and just distribution of income).

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1. Papanek, G.F., Pakistan's Development - Social Goals and Private Incentives (Harvard Univ. Press, Cambridge, Mass. 1967), p. 242.

3.1.7. Trade Union Activities

3.1.7.1. Political Activities

The trade union movement in Pakistan was influenced by socialist ideas before the partition of the Indian subcontinent, because it was an age when socialist ideas were very popular in the USSR, China was on the way to succeed in establishing another victory on the same leaning. Under these circumstances the trade union movement was born in the country.

In the early years in British India many unions were formed and led by intellectuals like M.N. Roy and M.K. Gandhi[1], who wanted to orient the trade union movement toward political activity. Roy urged the "union to be apolitical, leaving social reform to political parties;" he further stressed that the union should be "reformist, accepting the broad outlines of the economic system, and should stress workers' education."[2]

Royists were active in the areas now forming Pakistan. In his first presidential address at the general conference of the Pakistan Federation of Labour M.A. Khan stated that "we do not look upon trade unions as mere agencies for securing economic concessions. We regard them as social organizations calculated to advance workers' economic and other interests and also to teach them a democratic way of life."[3]

Communist influence dominated in some sections of the labour and among other intelligentia of the country, especially at the time of partition. In 1948 the Pakistan Trade Union Federation led by communist leaders started an organized campaign to overthrow the prevailing feudalistic capitalism through violent means. Their demands were the nationalization of all key industries, banks, abolition of landlordism, increased wages, recognition of the USSR, and

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1. Galenson, W., Labour in Developing Economics, op.cit, p. 32.
2. Government of Pakistan, Proceedings of the First Labour Conference, (Karachi, Manager of Publication, 1949),p.19.
3. Ibid.

the channeling of trade to Russia.[1] Their success in organizing labour and increasing political unrest forced the ruling Muslim League to interfere and organize trade unions under its own influence. The Labour Federation and Punjab Labour League, which later in 1951 merged with the All Pakistan Confederation of Labour were sponsored and organized by the ruling political party.[2]

Particularly in the Eastern part of the country the communists were very active during the short period of the united front government in 1954. They stirred up violent strikes followed by workers conflicts which took hundreds of lives in Adamjee Jute Mills, Chander Ghana and the Karnafuli paper mills.[3] After two months of serious riots the provincial government was removed and the communist party was banned. These events left the PTUF with only a few affiliates who lost their hold and ceased to exist by the first military coup in 1958.

Since then the trade union movement remained mostly nonallied with political parties. The reasons may be the military regime under which all political activities were put under control and a new labour legislation restricted the field of labour activities.

There seem to be no clear objectives before the trade union movement in Pakistan. The labour movement concerns itself only with economic and social achievement and independent union policies. Even then the labour movement is unable to achieve practical results for these concerns because of lack of proper leadership and because of mass illiteracy of the working people, who cannot differentiate between actions serving political interests and those serving their own interests. Moreover, trade unions have very

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1. Galenson, W., Labour in Developing Economics, op.cit., p. 35.
2. Sarwar Rizvi, S.A., Industrial Labour Relations in Pakistan, op.cit., see p. 32.
3. Wilber, D.N., Pakistan, op.cit., see p. 22.

little influence on national life, on government policy, and on labour legislation. Although under the people's regime the situation has changed a little, yet the trade unions were not recognized as the voice of the labour.

3.1.7.2. Trade Union Wage Bargaining

Trade unions are generally organized with the determination to raise the standard of living of their members by obtaining fair wages and other social benefits. But in developing countries the attitude of the trade unions toward wages is determined in practice by the situation and pressure of non-market forces such as the strength of the unions; government minimum wage legislation and the general political climate. In the case of Pakistan it is more or less realistic to believe that in the previous years because of political instability and economic crises the relative importance of the markets and non-market forces has been shifting from time to time. It is nevertheless true that despite the lack of strong unionization and a powerful internal unity among the trade unions, the wage level has been widely influenced by the union activities especially since 1962-63.

It must be noted that since independence, Pakistan, because of the very limited industrial sector during her early 1950s had a very restricted and small trade union movement. Under these circumstances the market forces and especially the employers were the dominating factor. In most cases, while under given labour-surplus conditions, they exerted their pressure in a downward direction on the wage matters, because of the first labour policy's failure due to the political instability in the country.[1)]

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1. Ministry of Information and Broadcasting, Government of Pakistan, Labour and Employment in Pakistan, Karachi, 1973, see p. 13.

The concentration of the trade unions and much of their agitation during the early 1950s has been directed toward their right of existence and recognition as the sole bargaining agent of the working people, and about 50 per cent of the industrial disputes were generally caused by the authoritarian attitude of the employers, who were manipulating the existing weakened trade union situation in order to create management controlled unions.

The revised labour policy under the first military regime marked a sharp departure from the past experience and took a more interventionary role, rather than to remain neutral observers as under the previous governments, while restricting the trade union activities through the suppression of the workers' right to strike. Their wage bargaining settlement right has been placed under the judicial bodies known as industrial courts and by requiring conciliation if the collective process broke down.

The wage increases since the 1960s have been accompanied by a growth in the trade union membership, partly because of the circumstantial evidence that pressure from labour unions was a principal cause of the increase in real wages. The number of industrial disputes has increased and a large number of workers have been involved in it since 1961. The motivation behind the industrial disputes may however have more to do with the country's political situation rather than with the strength of the organized workers and their economic conditions.

The trend in wages, prices and cost of living in all three countries are rising simultaneously, yet there is a little close relation between wages and cost of living. Despite very little available statistical information, one such study shows that the real wages in the industrial sector have been declining as it is indicated in the table below.

The two periods of great union activity, namely 1963-64 and 1968-70 came at times of widespread political turmoil and manoeuvering among rival political groups, which have had a positive effect on wages indirectly through the

government's desire to maintain industrial peace and domestic tranquility rather than directly through union pressure on the management.

In 1964, however, as well as in 1970, preparations were being made for general elections in which both military governments wanted to project an image of broadbased political support in both the urban and the rural sector, and during 1969-70, after the downfall of the first military government, the new military regime was motivated to appease trade unions by granting wage increases through higher minimum wages, and more favourable decisions by the industrial courts in order to reestablish the political stability and to create industrial peace after a long period of political and economic crisis.

It is obvious from the table below (p. 101), that the real wage of all industries has increased during the period of ten years between 1962/63 to 1972/73, by about 10 % .

It may be noted that the government itself set a major precedent for sizeable wage increases since the early 1960, through substantial rises in the pay of its own employees, and at the same time the government intervention in the private sector for the determination of minimum wages for unskilled labour through the Minimum Wages Boards. It would appear that the combined effect of all these measures, and partly the political pressure of the trade unions demand for higher money wages has been responsible for raising the earnings of the industrial workers, whereas the rural wages appear to have stagnated during 1948-49 and 1961-62.[1)] A study prepared under the Farm Management Survey, shows an annual increase in rural wages of farm labourers about 5 per cent during 1962-63 and 1968-69,

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1. Guisinger, S. and Irfan, M., Real Wages of Industrial Workers in Pakistan: 1954 to 1970, in: The Pakistan Development Review, Vol. XIII, Winter 1974, No. 4., see p. 377.

whereas a study made by Eckert reported that the growth rate of rural wages was about 6 per cent per annum between 1966-67 and 1970-71.[1] This increase in the rural wages has been generally motivated by the demand of the workers arising out of a more intensive and extensive land cultivation made possible under the third Five Year Plan, which placed relative importance to the agriculture sector.

It is evident that in subsequent years money wage remains constant along with a rising price index which reached 164 in 1974, from 76 in 1964,[2] which shows that the real wages are continously declining especially since 1970, because of the fact that the minimum money wage has not been linked with the cost of living, but rather has been freezed at a low level.

However, whatever influence the trade unions have wielded over the wage level, it is highly visible in terms of money wage through the industrial unrest for their very limited organized workers. Yet in terms of real wage unions have been relatively ineffective because of their structural and functional problems.

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1. Guisinger, S. and Irfan, M., Real Wages of Industrial Workers in Pakistan 1954 to 1970, op.cit., p. 377.
2. Year Book of Labour Statistics, 1975, see p. 645.

Table:[1)]

Real Wages (deflated by the 1954-based cost of living index)(rupees per year per worker) on all industrial basis

Year	Real Wages	Index
1954	966,2	100,0
1955	911,5	94,3
1957	909,4	94,1
1958	933,6	96,6
1959/60	936,7	96,9
1962/63	854,4	88,4
1963/64	870,6	90,1

It appears from the above study that despite increase in money wages, which was not sufficient enough to offset the rising effects of rising prices, and the real wages have declined since the early 1953-54.

Table:[2)]

Real Wages (Deflated by the 1961-based consumer price index)(rupees per year per worker)

Year	Real Wages	Index
1962/63	1,261	100,0
1963/64	1,484	117,0
1964/65	1,267	100,4
1965/66	1,277	101,0
1966/67	1,197	95,0
1967/68	1,467	111,0
1968/69	n.A.	n.A.
1969/70	1,748	138,0
1970/71	1,484	117,0
1971/72	1,470	116,0
1972/73	1,394	110,0

1. Griffin, K. and Khan, A.R., Growth and Inequality in Pakistan, ed. (London, 1972), see p. 235.
2. Sarwar Rizvi, S.A., Industrial Labour Relations in Pakistan, op.cit., p. 46.

3.1.7.3. Social Activities

Right from the beginning, beyond collective bargaining trade union activities have been almost absent in the country. In 1955 the APCPL had set up a Workers Education Society with the help of international organizations to educate trade unionists. The Society has set up an institute in Karachi for this purpose.[1] The Institute has organized courses and seminars for the trade union workers, but the capacity of the participants could not be raised up to the required level because of the financial difficulties and non-cooperation of other such organizations. This society was to some extent active until about 1960.

Thereafter workers' education in the field of trade unions was absent either on a permanent or ad-hoc-basis. Since about 1973 the National Institute of Labour Administration Training started some seminars for training trade union representatives. Various trade union organizations like the PNCTU occasionally have been conducting such courses in different parts of the country.

Beyond their formal duties, i.e. strikes and protests, trade unions never have launched any programme to motivate the labourer's enthusiasm for improving productivity and national development. Because of the shortage of funds, corruption and mishandling of the union resources there is no financial help even to maintain workers at the time of strikes. Besides there is a lack of social benefits or any other relief in time of unemployment or sickness.

In most cases trade unions are confined to putting forward demands to the employers and the government. This alone could not make the union effective to solve the problems of their members unless it would take up a concrete programme of social work. One of the ways to do it would be the providing of cheap consumer goods, medical facilities by opening dispensaries through self-help in areas where there are no such facilities.

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1. Shafi,M., Pakistan Labour Year Book, Bureau of Labour Publ. (Karachi, 1959), p. 63.

There is a complete lack of research activities on the matter of cost of living, unemployment, and other data on labour problems from the union side, which caused that the unions are not well informed of the real situation. Consequently there is a lack of solidarity among the workers because of the lack of labour press and communication.

Besides such activities trade unions could create a common feeling among their members by organizing cultural functions; these would bring them together for common benefits. The unions should try to remove their differences, which would help them to adjust in a changing society. There is no such type of social and cultural activity rendered by the trade union since their emergence. This is mostly so because the trade union leadership is more or less only interested to form a platform just to speak for the labour cause and from their own part there is a complete lack of initiative as there is no proper understanding of the subject on the one hand and lack of real interest for the labour welfare on the other.

3.1.7.4. International Labour Organization Activities

Since her emergence, Pakistan has been an active participant in international labour activities. Being a member of ILO, Pakistan has confirmed the Manifesto of Philadelphia adopted in 1944 that "labour is not a commodity, that freedom of expression and association and protection of the right to organize,"[1)] and admitted that it is the duty of the government to bring its law and practice entirely into line with the provisions of the ILO conventions in order to achieve social objectives including full employment, raising of living standards, extention of social security and labour welfare. But until now most of these objectives have not been fulfilled because of the shortcoming of the government's socio-economic policies.

At the time of independence Pakistan inherited some sixteen conventions adopted by the ILO to which Pakistan

1. Shafi, M., Pakistan Labour Year Book, op.cit., p. 118.

remained bound, and since then she has herself ratified another eight conventions until the first military take-over in 1958.[1] At present there are thirty conventions in force in Pakistan, most of which have been ratified very recently under the people's government.[2]

The ILO has provided valuable assistance through its regional conference, holding special meetings on specific problems related to government policies and trade union affairs, providing committees of experts to advise on matters such as training, welfare facilities for labour and living and working conditions.

On several occasions the ILO has prepared most informative inquiry reports through its technical assistance survey mission, like the report of Manpower Survey, Social Security and Labour Conditions in Agriculture.[3]

The government of Pakistan succeeded in persuading the ILO to establish an Asian Field Mission on Cooperation at Lahore.[4] This mission has assisted in the survey of their needs in the field of cooperation, basic education and training in the preparation of central cooperative offices.

On the problem of workers' education the International Confederation of the Free Trade Union in collaboration with the Pakistan Trade Union organizations conducted a training course from 11th to 17th Nov. in Karachi in 1973,[5] in which about 30 trade union leaders participated. The ICFTU representative expressed the hope to continue to assist the trade union movement in the education field. Another Educational Seminar was conducted by the ICFTU and ILO with the cooperation of the Pakistan Trade Union Organizations in Lahore and Karachi in 1975, in which a wide range of subjects were discussed.[6]

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1. Majeed, A.A., A Report Prepared for the International Institute of Labour Administration and Training, Government of Pakistan, Karachi, 1976, p. 2.
2. Ibid., p. 123.
3. Galenson, W., Labour in Developing Economics, op.cit., p. 69.
4. Government of Pakistan, Tripartite Labour Conference, held at Karachi, 9-10 Feb. 1955, p. 2.
5. Asian Labour, Vol. xxi, No. 104, Dec. 1973, (ICFTU - Asian Regional Org. Labour Report), see p. 25.
6. Asian Labour op.cit. Vol. xxiii, No. 118, 1975, p. 23.

There is no doubt that the International Labour Organizations have actively caused the national trade unions to organize and participate actively in national and international matters which could help workers and employers to achieve a better understanding of the role of free and democratic trade unionism. Whereas the national labour organizations have failed in actively striving for the improvement of the labour standards; indeed in most cases they have undermined the work of the international organizations by providing incorrect information on the situations either under the misguided presumptions of considerations of national prestige or simply due to their inefficient methods.

3.1.8. Summary

Outside, union leaders have looked upon unions as their basis of power and in the struggle for more power they have caused a structural fragmentation of the Pakistan trade union movement. Proliferation of small and less organized unions not only weaken the bargaining power of the workers but also cause inefficient utilization of limited organizational and financial resources. Small and weak unions, engaged in a continous struggle for survival and stability are often responsible for breaking industrial peace.

The rise of religious-based nationalism in Pakistan has played a peculiar role in the development of the organized labour movement since independence.

Soon after independence the labour movement continued to be dominated by the political groups until 1958 when the first military government introduced restrictive measures. Labour relations in Pakistan continue to be plagued by the poverty of the national economy.

The majority of Pakistan trade unions, however, are relatively weak in terms of a stable, dues-paying membership, and are confronted with rival unions. Trade unions suffer from the lack of capable inside worker leadership.

Trade unions continue to press for fair wages and other social benefits. In achieving these objectives the unions rely heavily upon the government, as direct collective

bargaining with employers is still fairly infrequent.

Since independence, the government has found it necessary to intervene in the structuring of labour management relations in order to protect industrial development at the early stage of industrialization.

Organized labour arrived on the scene early in the process of economic development. This was largely due to the late birth of industrialization in the area, that is, at a time when trade unionism was already established in some other parts of British India.

The presence of the speculative and trading elements in Pakistan business and industry has impeded the growth of stable and long-run enterprises. The necessary steps were taken by the government at the initial growing stage when the industrial sector was being built with government initiative.

The approval of many managements in Pakistan in utilizing human resources and in dealing with labour problems is still characterized by authoritarianism and paternalism. The existing employee welfare activities are required of Pakistan employers not only by law but by the necessity of developing a stable, committed industrial labour force.

Regarding the industrial relations system, compulsory adjudication remains a way out of serious labour strife. For the government it provides a measure of control, consistent with planning objectives and with the belief that it is better to let an impartial third party decide what is right, rather than to fight.

The intense political involvement of the trade unions since 1971, after the restoration of democracy, gave them considerable freedom and security of existence after a long restrictive period under the Ayub regime. The change-over to the military government since July 1977 has brought restrictive actions against the trade unions, a fact which makes the future direction of Pakistan organized labour uncertain.

3.2. INDIA

3.2.1. Strength of the Trade Unions

3.2.1.1. Labour Force

Rapid increase in population and lack of opportunities of work outside agriculture are the dominating reasons which caused a slow industrial development and rural stagnation in India. The structure of the working population has not been changed very remarkably since her independence The total population was recorded 439,2 mio during the 1961 census,[1] showing an addition of 77,6 mio over the period of ten years 1951-61. In 1971 the population figure reached 548 mio, which shows an increase of 24,8 per cent during the decade, the highest growth rate since 1921.[2]

The total working force was recorded to about 180,4 mio, which makes about 32,9 per cent of the total population of India.[3] Before going into details about the professional distribution of the population it seems important to note that India is such a vast and populous country with a wide range of non-developed as well as developed areas, that the population growth alone caused its own increasing effect on employment in the traditional sector by increasing the pressures on it as there is no other alternative to survive.

It has been estimated that during the last decade the growth of urbanization has slowed down because of the low rate of rural labour force as there was a large increase in urban labour force as a result of the rapid rate of natural increase in urban population. In a study Zachariah pointed out that another factor was the existence of a large backlog of unemployment and underemployment in the urban areas

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1. Ashish Bose, Patterns of Population Change in India, 1951-61, (Bombay, Allied Publishers Private Ltd., 1967), p. 37.
2. Government of India, India - A Reference Annual 1974, New Delhi Ministry of Information and Broadcasting, Publication Division 1974, see p. 5.
3. Government of India, India - A Reference Annual, op.cit. see p. 291.

which caused a fall in the rural-urban migration from 8,2 mio during 1941-51 to 5,2 mio in the period of 1951-61.[1] The present situation remains more or less the same and the lack of job possibility has blocked the migration of the rural working force to industrial areas.

Despite an increasing trend in the manufacturing sector in the industry since independence, they employed a small number of the working force, only 9,5 per cent of the total labour force. The distribution of employment among the major non-agricultural activities is as table 1 shows:[2]

Table 1. Distribution of workers in Nonagricultural activities 1971, India (in mio)

Branch of Economic Activity	Number of workers	Per Cent	Per cent of total labour force
1. Mining and Quarrying	o,92	1,8	0,5
2. Manufacturing (incl. repair services)	17,06	33,9	9,5
3. Electricity, Gas and Water	0,53	1,1	0,3
4. Construction	2,21	4,4	1,2
5. Wholesale and retail trade, restaurant & hotel	8,74	17,4	4,9
6. Transport, Storage and Communication	4,40	8,7	2,4
7. Financing, Insurance, real estate and business service	1,28	2,5	0,7
8. Community, Social and Personal services	14,01	27,8	7,8
9. Other Activities	1,21	2,4	0,7
Total	50,36	100,0	28,0

It should be noted that the total of 17 mio listed for manufacturing also includes the workers employed in small scale and cottage industries not covered under the factory regulations.

1. Ashish Bose, Patterns of Population Change in India 1951-61, op.cit., p. xxxii.
2. ILO Year Book of Labour Statistics 1975, Geneva 1975, see pp. 96-97 (percentage is computed from the same sources).

3.2.1.2. Organized Industrial Labour

Although the industrial labour force is much smaller than the approximate total of the 180 mio working force, only some 17 mio or 9,5 per cent are engaged in manufacturing and processing activities. Narrowing the field still further, out of these 17 mio there are some 8,63 mio workers employed in factories, employing 20 or more workers,[1] out of which about 4,79 mio are government employees and 3,83 mio are working in private industries.[2] The data provided here is sufficiently reliable, but not fully representative of the entire working force, because the statistics are not complete, in the sense that they are not all-inclusive.

Only a small fraction of the total labour force is organized in trade unions, mostly in the industrial sector. The sources we have quoted give the recently highest number of 5,09 mio trade unionists in India organized in 8,689[3] trade unions registered according to the Indian Trade Union Act, 1926, as given in table 2.

It is probable that the total membership of the trade unions may be much higher than the figures stated here. It lay somewhere near 6 mio because of two reasons; firstly there are 12,829 registered unions which have not submitted their returns and their membership is not included; secondly there is a large number of unregistered trade unions which are not able to get registered because of one or other reason.

It is obvious from table 2 that there is a rising trend towards workers organizations since the early 1930s, but especially since independence in 1947 the growth of trade

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1. Government of India, Statistical Abstract India 1972, New Delhi, Central Statistical Organization, Department of Statistics, Ministry of Planning, New Series, No. 19. 1973, see p. 330.
2. Ibid.
3. Ibid. p. 389.

Table 2[1] Registered Trade Unions in India (1927-28 - 1970)

Year	No, of Registered Trade Unions	No. of Unions Submitting Return	Total Union Membership
1927-28	29	28	100,619
1929-30	104	90	242,355
1931-32	131	121	235,693
1933-34	191	160	208,071
1935-36	241	205	268,326
1937-38	420	343	390,112
1939-40	667	450	511,138
1941-42	747	455	573,520
1943-44	761	563	780,967
1945-46	1,087	585	864,031
1947-48	2,766	1,620	1,662,929
1949-50	3,522	1,919	1,821,132
1951-52	4,623	2,556	1,996,311
1953-54	6,029	3,295	2,112,695
1955-56	8,095	4,006	2,275,000
1957-58	10,045	5,520	3,015,000
1959-60	10,811	6,688	3,923,000
1961-62	11,476	7,044	3,728,000
1962-63	11,620	7,114	n.a.
1963-64	11,740	7,106	n.a.
1964-65	12,744	7,380	4,441,000
1965	12,948	6,771	3,763,000a
1966	14,370	7,086	4,369,000
1967	15,224	7,381	4,503,000
1968	16,409	8,689	5,094,000
1969	17,225	6,203	(2,854,784)b
1970	19,512	6,683	(3,530,318)c

a. Data relate to the period April to December 1965.
b. Incomplete as the figures for Bihar and West Bengal States are not included.
c. Figures for Bihar, Kerala and Ragistan States are excluded.

unions has shown a very fast trend. The membership however, did not increase with the same speed.

A quantitative description of the occupational distribution of India's working population is difficult if not impossible, due to the fact of the statistical limitations, still an idea can be obtained by inquiring into the distribution of employment in the organized sector. According to

1. Table 2 computed from three different sources, i.e.
i) Karnik, V.B., Indian Trade Unions, (Bombay, Manaktalas, 1966) p. 321.
ii) Statistical Abstract India 1972, op.cit., pp. 386-89,
iii) India 1974 and 1975, A Reference Annual, op.cit., see p. 316 in 1974, and p. 297 in 1975.

the Planning Commission Report the industrial employment has increased about 2 mio since 1969, which shows that the public sector is becoming more powerful in India. Table 3 shows the entire employment situation in the public and private sector employing more than 10 workers as follows:

Table 3.[1] Employment Situation in the Organized Sector (in mio)

Sector	March 1969	March 1973
Public Sector		
Central Government	2,72	2,92
State government	3,90	4,58
Quasi-Government	1,58	2,58
Local Bodies	1,83	1,90
Total	10,03	11,98
Private Sector (non-agricultural)		
Larger Establishments (employing 25 or more workers)	5,87	6,09
Smaller Establishments (employing 10-24 workers)	0,73	0,75
Total	6,60	6,84
Grand total	16,63	18,82

Table 3 shows that about 63 per cent of the total employed working force in the organized sector are government employees, which indicates the importance of the government role and influence on the organization and development of the trade union movement in India.

Industrial labour is mostly concentrated in the industrial areas of the seven states, which accounted for 67,51 per cent of the reporting factories and provided 72,88 per cent of the total employment in the year 1969.[2] Furthermore, the concentration of industrial labour force in important urban areas like Calcutta, Bombay, Ahmadabad, Jamshedpur, Kanpur and Madras renders it one of the most important organized forces in the huge unorganized population of India.

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1. India 1975, A Reference Annual, op.cit., p. 133.
2. India 1974, A Reference Annual, op.cit., p. 221.

3.2.1.3. Type of Industrial Labour

In most cases, unlike developed countries, the working force in India does not claim the place at which they work as their home town. They are usually migrants in industrial towns from villages. Many of them return back to their villages when their necessity or the opportunity of employment has passed away.[1)]

The relationship and ties with the village are so strong that the worker still feels adrift in the new factory life. Partly the intolerable physical conditions of work and living very often motivate the worker to return to the village life, especially if he has his family there. Because of the temporary nature of residence workers mostly do not take any active part and interest in their trade unions.

Labour migration in India is not only inter-district but inter-state as well. According to a recent study in the jute mill industry in Calcutta, 80 per cent of the workers belong to Bihar, U.P., Orissa and Andhra Pradesh.[2)] Similarly it is to be noticed that during the agricultural slack workers used to come from Punjab, U.P. and Rajistan to work in Delhi in the textile, engineering and building trades.[3)]

The experience in traditional India has been that in many cases the number of migrants came from the lower castes to join the industrial labour in the big cities in order to avoid social disabilities. Although some are in the opinion that trade unions have been free from the caste influence, many like V.V. Giri, and H. Crouch have argued that this was not the case.[4)] As Mukerjee pointed out in his studies "in Uttar Pradesh about 60 per cent of the women workers belonged to the backward or untouchable castes

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1. Bhagoliwal, T.N., Economics of Labour and Social Welfare, Agra, Sahitya Bhawan, 1966, see p. 25.
2. Ibid., p. 27.
3. Ibid.
4. Giri, V.V., Labour Problems in Indian Industry, Bombay, Asia Publishing House, 1958, see p. 54, and Harold Crouch, Trade Unions and Politics in India,(Bombay: Manaktalas, 1966), pp. 22-23.

and of the men operatives about 90 per cent belonged to the depressed castes, nearly half of them being kories."[1] Although the industrial progress in India stepped forward and broke out the old social and caste distinctions, still the mass of uneducated people and especially the rural inhabitants are not free from the old societial structure which emphasises that "Hindu society ... is communal; it is the caste and not the individual that counts. A man's social position is that of the caste of which he is a member. The caste choses his occupation for him, and if he disregards its decision then it can take away his social position altogether by outcasting him. Secondly, the caste system is rather a socio-economic than a social organization. Almost every caste is closely associated with a particular occupation."[2]

Contrary to that, the landless agricultural labour and the members of the depressed social classes have joined the industrial force, but still they are not fully aware to organize themselves in the form of trade unions and they are not strong enough to change the local social system in order to integrate in the modern industrial force and to get a full recognition as productive factor.

Furthermore, because of the traditional 'joint family'[3] system in India the workers are relatively passive in their behaviour and do not take any initiative in the trade union activities because of a greater responsibility of a large family of dependents as in most cases the worker is the only earning member. In general the caste rigidity, emotional family ties are the important obstacles in the way of progress of a healthy industrial labour force, which sometimes prevent the workers from joining any labour union permanently because of the lack of union consciousness due to the fear of victimization and unemployment.

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1. Bhagoliwal, T.N., Economics of Labour and Social Welfare, op.cit., p. 30.
2. Sir E. Blunt, The Economic Aspect of the Caste System, quoted by R. Mukerjee, in: Economic Problems of Modern India, Vol. I, (London, Macmillan, 1939), p. 63.
3. 'Joint family' include brothers, sons, grandsons, and even cousins and their wives and children. Often this group may live under one roof.

The Indian industrial workers, having typically rural-agricultural basis, are predominantly illiterate or have little educational background. It has been claimed in a study on the basis of one state, Poona, that about 2/3 of the workers employed in factories, have at least had a primary school education,[1] but the main important point is that even with this background it seems difficult to become conscious of their rights unless there is trade union education in order to organize a disciplined industrial labour force.

Furthermore, according to the 1971 census, the litteracy rate in the country as a whole is only 29,4 per cent, which varied from 11,3 per cent in one state to 60,4 per cent in other.[2] This shows that the ratio of illiteracy varies from place to place.

Another important characteristic of the Indian working force is the high rate of absenteeism because "in an economy still characterized by urban unemployment and vast rural underemployment the industrial worker holds onto his job at all costs."[3] For this reason the employers have to maintain additional workers to fulfill the temporary breaks during the absence of the migrants, which hampered the efficiency as well as the production.

Moreover, there is a great heterogenity among the working classes. They are speaking different languages and following different customs and traditions which cannot allow them easily to integrate in order to organize a healthy trade union.

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1. Lambert, R.D., Workers, Factories and Social Change in India, (Princeton, New Jersey, Princeton University Press, 1963), see p. 28.
2. Government of India, India 1974, A Reference Annual, op. cit., see p. 51.
3. Myers, C.A., Labour Problems in the Industrialization of India, (Cambridge, Massachusetts, Harvard University Press, 1958), p. 47.

3.2.2. Structure of Trade Unions

3.2.2.1. Types of Trade Unions

India has various types of trade unions like single craft and occupational unions, weavers' unions; rickshaw pullers; tonga drivers; teachers; journalists and scavengers. In general it is the occupation that limits the extent of the membership of a union. For example, Ahmedabad Weavers Unions, which were formed on a craft basis early in the 1920s, has generally lost its importance when the unskilled workers joined it.[1)]

There is a number of 'General Labour Unions' which existed in all important industrial towns like Bombay, Calcutta, Kanpur, and whose aim it is to organize any wage earner, whatever his occupation and type of work may be.[2]

A most common type of labour organization in India is the Industrial Unions, organized on the basis that anybody employed in an industry regardless of difference of craft or skill may become a member. But in practice the so called Indian industrial unions are different from their counterpart labour unions in the developed countries in the respect that they did not include all occupations, skilled and unskilled, in an entire industry but only in one factory or on the plant level generally called 'one shop variety'[3)], which caused weakness in the strength of trade unions due to their narrow jurisdiction.

It is generally argued that the artisans who had left jobs in the colonial regime, returned to soil because they were unable to compete the imported manufactures. Most of them migrated to cities as farmers and not as craftsmen, were hired as unskilled rather than skilled workers. That was the reason why the workers were simply organized on the

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1. Fonseca, A.J., Wage Determination and Organized Labour in India, (Delft, Grafisch Bedrijf Avanti, 1960), see p. 41.
2. Bhagoliwal, T.N., Economics of Labour and Social Welfare, op.cit., see p. 84.
3. Sharma, G.K., Labour Movement in India, (New Delhi, Jullundur, Ambala, University Publishers, 1963), see p. 166.

industrial basis. But according to Ornati, there were many reasons "that India trade unions assumed an industrial structure; among them were the absence of a large body of craftsmen, the influence of a leadership made up of politicians, and the ad hoc nature of organization".[1] Strumthal, however, supported the view that India has passed "the merchant-craftsman stage of capitalism and went straight from agriculture to the factory stage of production",[2] which made it possible that the trade unions passed from general unionism to industrial unionism directly without having the stage of craft unionism.[3]

Industrial unions are mostly organized in cotton and jute industry, engineering and chemical industry, docks and ports.

3.2.2.2. The Local Unions

The most typical trade union in India is the plant-wide local trade union consisting of the employees of a single plant or factory. Nevertheless in the principal industrial areas like Bombay and Calcutta there are city-wide unions organized on the basis of an entire industry. Trade unions formed on these lines are found especially in textiles, engineering, chemicals, motion pictures and hotel establishments, and among seamen and employees in docks and ports.[4]

The organizational structure based on three different levels as plant, state and central worker organizations. The Local Unions, which are the most fundamental unit, is loosely associated and coordinated with the State and central organizations. There are some local as well as state unions, which are not affiliated with the Central Federation of Unions, but are independent and deal personally with their managements.

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1. Ornati, O.A., Jobs and Workers in India, (New York, Cornell University, Ithaca, 1955), p. 109.
2. Sharma, G.K., Labour Movement in India, op.cit., p. 165 quoted by S. Gosh, Trade Unions in the Underdeveloped countries, (Calcutta, Patna, Allahabad, 1960), p. 75.
3. Ibid.
4. Myers, C.A., Labour Problems in the Industrialization of India (Cambridge, Mass. 1958), see p. 72.

Because of the absence of craft unionism and the lack of work rules there are not sufficient national trade organizations. Due to the difference in language, race, religion, and creed of the workers trade unionism has developed on a local basis. Consequently it cannot meet the expenses relating to office establishments, hiring full-time union officials, and meeting the welfare facilities available to their members in need.[1)]

Furthermore, because of the lack of any organic relationship between different parts of the structure the trade unions have created organizational problems at all levels. But due to the "numerous ideological and political cleavages"[2)] of the Central and National Organizations, partly because of the low level of education of the workers and their rivalry, the strength of the labour unions is further lost.

3.2.2.3. The Central Labour Organizations

There are two types of organizations to which most of the Indian trade unions are affiliated: i) National Federations, and ii) Federations of unions in particular industries and professions.[3)] In India, unlike western countries, trade unionism is not led by one united organization, rather by four different central federations, because of ideological and political difference. These are the All India Trade Union Congress (AITUC), the Indian National Trade Union Congress (INTUC), the Hind Mazdoor Sabha (HMS), and the United Trade Union Congress (UTUC).

The All India Trade Union Congress

Trade unions were formed in the Indian subcontinent as early as in the 1890's, but did not come to occupy any important position in the industrial set-up till the First World War. It has been stated that "the trend in the Indian Labour Movement, if one could call it by that name,

1. Sharma, G.K., Labour Movement in India, op.cit. p. 169.
2. Myers, C.A., Labour Problems in the Industrialization of India, op.cit., p. 72.
3. Sharma, G.K., op.cit., see p. 170.

from 1875 to 1918, was characterized by a tendency to petition, memorialize and seek redress of grievances by mild pressure."[1] Soon after the end of the war there was an industrial unrest because of the rise in prices resulting in a high cost of living reflected more seriously in the economic conditions of the working people. Strikes and agitation started in all the big towns of India, which strengthened the trade unions and quite a large number of trade unions were immediately formed. In the wake of this resurgence of the working class the first Central Workers' organization "All India Trade Union Congress" (AITUC) was formed in July 1920, under the presidentship of Lal Lajpat Rai and the credit goes to N.M. Joshi known as "Father of Indian Labour".[2]

AITUC was basically created in order to coordinate the union activities at an all India level and to represent the workers in the international labour organizations, with a very loose structure. Due to the lack of discipline and unity of purpose,regardless of his political views every individual leader was allowed to serve Indian workers in his own way.[3] All three groups, i.e. Congressmen, socialists and communists were represented in the AITUC. Soon after the formation of the Communist Party of India (CPI) in 1925, communists were very active in the union movement and finally held its leadership. A split followed when communists started to follow the communist program. N.M. Joshi with a majority of trade unions separated from the AITUC and formed the Indian Trade Union Federation. Ideological fights led to another split from the AITUC when the communists, unhappy with the "Nationalist-Reformist" (Gandhian)[4] policies broke away to form their own Red Trade Union Congress in 1931.

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1. Schachi Ram Gurtu, Jagjiwan Ram on Labour Problems", (Delhi, Atma Ram & Sons, 1951), p. 38, quoted by O.A. Ornati, Jobs and Workers in India, op.cit., p. 98.
2. Ibid., see p. 100.
3. Sharma, G.K., Labour Movement in India, op.cit., p. 178.
4. Ornati, Oscar, Jobs and Workers in India, op.cit., see p. 104.

This clash of political ideas which led to the breakup of the AITUC has considerably weakened organized labour and its power of bargaining. With the efforts of V.V. Giri a moderate leader of the Congress Party, a unity was achieved and once again AITUC existed as the only voice of the Indian labour.[1)]

During World War II differences arose on the question of participation of labour in the war. Because of the negative attitude of the AITUC, a section of labour led by M.N. Roy, a Radical Democrate, supported the British war policy and formed another union, "Indian Federation of Labour". IFL had started a large propaganda in the favour of war among workers, which created a number of new rival trade unions and once again the AITUC lost its strength in the labour movement.[2)] Many Congress leaders were arrested when they launched a "Quit India" movement against the British rule in 1942, which gave an opportunity to radicals and communists to capture the leadership once for ever in the AITUC. Since then it is dominated by the Communist Party. Its principal objectives are "to establish a socialist state in India, to socialize and nationalize the means of production, distribution and exchange as far as possible, and to ameliorate the economic and social conditions of the working class.[3)]

At the time of independence AITUC was the only 'officially recognized' representative body of all Indian workers and had some 326 unions affiliated with it, organizing about 696,355 members.[4)] The number of unions increased to 784, without any increase in the total membership which remained nearly the same as 675,377 in 1952-53.[5)] This was partly because of the numerous splits due to the ideological differences and partly due to the multiplicity of the trade unions in the same industry. In 1960 the membership

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1. Giri, V.V., Labour Problems in Indian Industry, (Bombay, Madras etc. Asia Publishing House, 1959), see p. 18.
2. Ibid., see p. 21.
3. Fonseca, A.J., Wage Determination and Organized Labour in India, (Delft, Grafisch Bedrijf Avanti, 1960), p. 47.
4. Shiva Chandra Jha, The Indian Trade Union Movement, (Calcutta, Firma K.L. Mukhopadhyay, 1970), p. 189.
5. Myers, C.A., Labour Problems in the Industrialization of India, op.cit. p. 73.

decreased further to 508,968 workers affiliated in 886 unions.[1] It has been claimed that because of the anti-AITUC attitude of the Congress Government and because of the internal Communist Party rift the strength of the AITUC declined. According to a recent survey it was stated that the AITUC is the second most important Central Workers Organization which claimed some 1008 affiliated trade unions with a total membership of 634,802 in 1968.[2]

The Indian National Trade Union Congress

The Indian National Trade Union Congress (INTUC) is the largest workers organization in India, representing about 1,326,152 workers organized in 1,165 unions as reported in 1968.[3] Although INTUC was formed only a few months before India became independent, the history of its origin began as early as 1920. It has been stated that the executive body of the Indian National Congress "had moved toward the labour movement to get its assistance to obtain power. In 1946, with power and governmental responsibility around the corner, the party moved toward the labour movement to forestall possible difficulties that might arise from a labour movement antagonistic to the new government.[4] Soon after the Congress assumed power after World War II they wanted to establish normal conditions because the economic life had been disrupted during the war. Therefore, it was felt necessary to bring all the worker unions under the Congress banner with an independent outlook. On the other hand, when the Congress government "adopted the Industrial Dispute Act, 1947, embodying the restrictive features of the wartime Defense of India Rule 81 (A)"[5], there was a strong opposition from the Labour Front in the Constituent Assembly, and partly because of the government's policy to put restriction of labour protest, the moderate labour leaders came out to support the issue.

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1. Government of India, India - A Reference Annual 1974, op. cit. see p. 316.
2. Ibid.
3. Ibid.
4. Ornati, O.A., Jobs and workers in India, op.cit., p. 118.
5. Galenson, W. (ed.), Labour and Economic Development, (New York, John Wiley & Sons, Inc., London, Chapman & Hall, Ltd. 1959), see p. 34. (India - C.A. Myers).

A conference of trade union leaders and high level leaders of the National Congress was called in the early 1947, with the aim to establish the Indian National Trade Union Congress as an alternative to the communist-led AITUC. The conference was attended by the prime minister, deputy prime minister, chief ministers from several states, which made it clear that the move was responsed by the ruling Congress government itself.[1)]

In the Indian Trade Union movement the INTUC represents the Gandhian ideology. Its origin, philosophy and objectives stem from the experience and pattern of the Ahmedabad Textile Labour Association (ATLA), which, since its origin in 1918[2)], had never been affiliated with any national or central organizations because of its unique nature. ATLA with a membership of 60.000 was the biggest of the 200 unions which formed INTUC in 1947.[3)] Still there were many trade union leaders who were previously associated with AITUC and others who had been affiliated with the more moderate National Trade Union Federation, and with the Congress Socialist Party, like V.V. Giri, S.C. Banerjee, H. Shastri and K. Pandey.[4)] This latter 'non-Ahmedabad group' was not very much influenced by Gandhi's ideas.

It was claimed that the membership of the INTUC increased about three times over a decade of years from 575.000 in 1947 to 1.411,437 in Jan. 1958. According to the official figure it was reported only about 934.385 members in 672 unions for the year ending March 31 1957[5)] which makes it clear that the nature of the central organizations power is mostly temporary because of the political rivalry among the labour leaders on the one hand and factional rivalry among the ruling congress elite and among the leadership of the INTUC.

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1) Walter Galenson, Ed. Labour and Economic Development, op.cit., p. 34.
2) Ornati, O., op.cit., p. 131.
3) Crouch, H., Trade Unions and Politics in India,(Bombay Manaktalas, 1966), p. 103.
4) Ibid., p. 101.
5) Giri, V.V., Labour Problems in Indian industry, (London Asia Publishing House, 1958), p. 28.

Since its birth it has been claimed that INTUC was meant "to strengthen the hands of the government of free India with the help of contended labour".[1] On this issue the former India's prime minister Jawaharlal Nehru explains that "technically the INTUC and the Indian National Congress are two separate organizations and neither is subordinate to the other. Still it goes without saying that the INTUC has been sponsored and nursed mostly by Congressmen and drives its strength from the moral and other support of the Congress. As such it is imperative that in all political matters all Congressmen working in the INTUC should treat the Congress as its supreme body and abide by its code of conduct."[2]

It is obvious from the fact that the INTUC is being ruled ultimately by the Congress it cannot take any action independently as a Worker Organization simply in order to avoid any opposition against the policy of the government.

INTUC encourages industrial unions and affiliates only one union belonging to single industry. The INTUC affiliates by law have to be enrolled in the National Industrial Federation in the province or state, if the organization is recognized by the INTUC. There are many such federations formed by the INTUC, especially in the textile, transport, sugar, plantations, docks, jute and mining industries.[3] It has been claimed that the "INTUC leaders are only a projection in the trade union movement of the internal group rivalries in Congress and have very little relation to trade union problems or policies."[4] Many of the former leaders have been and are still labour ministers in the Central and State governments. INTUC becomes a rather more influential organization in the governmental circles.[5]

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1. Shiva C. Jha, The Indian Trade Union Movement, op.cit., p. 194.
2. Ibid.
3. Giri, V.V., Labour Problems in Indian Industry, op.cit., see p. 28.
4. Ornati, O.A., Jobs and Workers in India, op.cit., p. 123.
5. Crouch, H., Trade Unions and Politics in India, op.cit., see p. 127-128.

INTUC is affiliated with ICFTU since its origin, being one of the founder organizations and also has a close association with the International Labour Organizations.[1)]

The Hind Mazdoor Sabha

The Hind Mazdoor Sabha (HMS), another central workers organization, was formed in 1948, when the 'Congress Socialist Party' leaders and other 'Moderate Socialists' as R. Lohia and Asoka Mehta were not satisfied with the AITUC and INTUC activities because of their political differences and accused "the development of the trade union movement in India on the true line of class struggle and as a growing instrument for social change, seemed blocked by the AITUC and INTUC. To free the Indian trade union movement from both government domination and mechanical party domination, the Congress Socialists had no alternative but to forge a new path."[2)] Although other groups are affiliated with the HMS, in fact it is an organ of the Socialist Party, having similar aims and objectives related to economic, social, political and cultural interests of their members to organize and promote the establishment of a democratic socialist society in India.[3)]

At the time of its establishment, HMS claimed having some 679,287 members organized in 419 unions. In 1951 the figure rose to 804,337 and 570 respectively. But after that the membership has been falling to the lowest point reaching 286,202 and the number of affiliated unions 190 in the year 1959. It is claimed that if unions are not paying their dues regularly, their names are cut off from the list.[4)] In general this is due to internal rivalry among the unions, which change their affiliation from one Central organization to another for personal reasons and partly because of the splite on policy issues of the National and

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1. Bhagoliwal, T.N., Economics of Labour and Social Welfare, op.cit., see p. 102.
2. Shiva Chandra, Jha, The Indian Trade Union Movement, op. cit., p. 200.
3. Fonseca, S.J., Wage Determination and Organized Labour in India, op.cit., see p. 48.
4. Shiva Chandra Jha, op.cit., see p. 202.

state unions. According to the latest figures the membership increased to 463,772 organized in 248 unions in 1968[1] which shows a very minor change in the situation.

With regard to INTUC, in policy matters the distinctive features of the HMS are that it supports the "recognition of collective bargaining against compulsory abjudication and arbitration, workers participation in the control and regulation of industry, and close working relationship with Indian Cooperative movement."[2]

There is also lack of unity among the labour leaders associated to HMS, partly because of different political ideas on the national policies and on union matters on the one side, and on the other because of personal prestige and control over a certain group of workers.

The most influential socialist leader was J.P. Narayan, a 'Marxist revolutionary' on one stream, and M. Masani, and Asoka Mehta, who were mostly influenced by the democratic socialism of the British Labour Party, on the other stream. The latter played a very important role in formulating the trade union policies.[3] There is another group led by M. Lohia and A. Patwardhan, who had been influenced by Gandhism.[4] In spite of differences they were all united under one trade union. Because of these political differences all factions consequently led to a split and the formation of a new political party and separate trade unions simply because of the sake of leadership.

Because of the breakaway of the socialist party into two political parties, differences on the national level soon started to appear in the HMS. In 1957 an attempt was made by one group to withdraw the HMS from the ICFTU, which led to open differences among the two socialist groups.[5] After

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1. Government of India, India - A Reference Annual 1974, op. cit., p. 316.
2. Myers, C.A., Industrial Relations in India, op.cit., see p. 117.
3. Crouch, H., Trade Unions and Politics in India, op.cit., see p. 203.
4. Ibid.
5. Ibid., p. 218.

divergences of opinion on a general one-day strike, and on cooperation with other labour organizations, some groups left the HMS and formed a separate trade union centre in 1962, the 'Hind Mazdoor Panchayat' and George Fernandes became its general secretary.[1] In general, the HMS as a socialist organization supports economic planning but at the same time is criticized for the government's insufficient emphasis on the measures to eliminate unemployment and inequality.

The United Trade Union Congress

A new All India federation was formed, as few trade union leaders could not agree on the principles and objectives of the socialist dominated central organization Hind Mazdoor Sabha. This political controversy led to the formation of the United Trade Union Congress (UTUC) in 1949. A former president of the AITUC, M.K. Bose, was elected as general secretary.[2] The groups who were represented in this new organization were ranging politically between communists and socialists. At the time of its origin it was claimed that "UTUC stands for i) the establishment of a socialist state of India, ii) establishment of a workers and peasants' state in India, iii) nationalization and socialization in India of the means of production, distribution and exchange,... and vi)... unity in the Trade Union movement."[3]

The main political groups that since its origin were very active in the UTUC are 1) the revolutionary Socialist Party, under the leadership of Jatin Chakravarty, 2) the revolutionary Communist party of 'Saumyen Tagore' who supported the 'Quit India' movement, 3) the Bolshevik Party of India led by N. Dutt Mazumdar.[4] All these three groups had much in common. Having doctrinal differences in the real sense they were not united, although they had formed a united trade union congress.

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1. Crouch, H., Trade Unions and Politics in India, op.cit., p. 220.
2. Myers, C.A., Industrial Relations in India, op.cit., see p. 117.
3. Rao, A.V.R., Essays on Indian Labour, (Bombay, Popular Prakashan, 1965), see pp. 211-212.
4. Crouch, H., op.cit., see pp. 229-231.

Although it was claimed that the UTUC would support a free and independent trade union centre free from the party politics, in fact in a wider sense UTUC is as politically inclined as any other organization according to the words of its General Secretary, "the united TUC, though it does not belong to the Communist Party, is more or less leftist in political views and ready to cooperate with the communists."[1)]

In 1949, the UTUC claimed a membership of 331,991 workers in 254 unions affiliated to it. Its strength since its origin has been declining because of the multiplicity of the union and because of the political fractions in the trade union leadership. The membership decreased to its lowest level of 82,001 in 1957.[2)] According to the latest report there were some 216 unions with 125,754 members affiliated to UTUC in 1968.[3)]

UTUC is mostly represented in West Bengal, Bihar and Kerala.

There is a big controversy among the leadership of the UTUC on the matter of support to government policies for economic development, even though it supports the policies for the improvement and is ready to cooperate with other central worker federations. In this regard "an agreement was reached between UTUC and AITUC, not to create rival unions against the other and where two unions already existed, the smaller would merge itself into the larger."[4)] When the Communist government was in office in the Kerala state in 1957, there was a breakdown of the agreement because of the differences on the labour issues between the Communist government and the UTUC. The latter joined INTUC, and others which caused the dismissal of the communist government in 1959[5)] and a split in the UTUC in later years. In general, UTUC compared to the other three organizations is a weak central union

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1. Ornati, O.A., Jobs and Workers in India, op.cit., p. 130. Quoted from Hind Mazdoor, A Monthly Bulletin, Jan-Feb. 1953, p. 39.
2. Shiva Chandra Jha, The Indian Trade Union Movement, op. cit., p. 20.
3. Government of India, India - A Reference Annual 1974, op.cit., p. 316.
4. Crouch, H., Trade Unions and Politics in India, op.cit. p. 23.
5. Ibid., pp. 236-237.

3.2.2.3. The Size of Trade Unions

Despite ideological and functional differences among the central as well as national organizations, an important factor which became a symbol of weakness of the labour unity is the small size of the Indian trade unions. According to a study about 65 per cent of the registered trade unions had less than 300 members, and only 13 per cent over 1.000 members during the year 1952-53.[1)]

In spite of the statistical barriers and unreliable data there is significant evidence to believe in the multiplicity of the trade union on the plant level. Because of the lack of common ideology among the trade union leaders, political controversy, and a legacy from the past history, everyone is interested to have a separate workers' union of one's own with one's own leadership, as we can see from the table below:

Table- 4

Registered Trade Unions and Average Membership (1947-1968)[2)]

Year	No. of registered trade unions	Unions submitting returns	Total membership	Average membership per union
1947-48	2,766	1,620	1,662,929	1,026
1948-49	3,159	1,848	1,960,107	1,061
1949-50	3,522	1,919	1,821,132	949
1950-51	3,766	2,002	1,756,971	877
1951-52	4,623	2,556	1,996,311	781
1952-53	4,934	2,718	2,099,003	772
1953-54	6,029	3,295	2,112,695	641
1954-55	6,658	3,549	2,170,450	612
1955-56	8,095	4,006	2,274,732	568
1956-57	8,554	4,399	2,376,762	540
1957-58	9,644	5,319	2,907,443	547
1960-61	11,312	6,813	4,000,000	587
1962-63	11,827	7,251	3,667,000	506
1963-64	11,984	7,250	3,956,000	546
1964-65	13,023	7,543	4,441,000	588
1965-66	13,248	6,932	3,763,000	543
1966-	14,686	7,244	4,369,000	603
1967-	15,314	7,523	4,503,000	598
1968-	16,716	8,851	5,094,000	575

1. Galenson, W., Ed., Labour and Economic Development, op. cit., see p. 37.
2. Sharma, G.K., Labour Movement in India, op.cit., p. 162 and Government of India, Statistical Abstract India 1972, issued by the Central Statistical organization Department of Statistics, Ministry of Planning, New Series, No. 19, (New Delhi, 1973), p. 385.

It is obvious from the given table that since independence the number of trade unions has grown very rapidly without a parallel increase in membership, partly because of the multiplicity and partly because of the internal rivalry of the union leaders. Another important factor regarding the formation of labour unions is the Indian Trade Union Act, 1926, which allows any seven workers to form a trade union. Therefore, it is very simple to form a new trade union in order to get immunity from criminal and civil liabilities, when there is a conflict with the existing union on the matter of everyday politics or a personal quarrel with the labour leader.

It is also clear from the table that the number of unions over the last two decades has increased six times, whereas the membership has increased three times, which shows an unsatisfactory development in the trade union movement. Consequently a small union, financially very weak, in most cases is unable to have a full-time staff and even a small room as office in order to function properly.

Furthermore there are about fifty per cent unions, which did not have any regular record of their membership, finance and their activities. In most cases many of them started their union under particular circumstances but later closed their activities because of the lack of trade union skill and understanding of labour problems. All these factors and many other led to the continous fall of the average membership per union from 1,026 to 575, which became a most important feature of the Indian trade union movement today.

3.2.3. Industrial Relations System

3.2.3.1. Trade Union Recognition

Although trade union activity started at the end of the 19th century in India, they were illegal bodies declared under the "Indian Penal Code" in 1913.[1] After strong public and workers protest the first 'Indian Trade Union Act' was passed in 1926 and came into force on June 1, 1927. This Act provided to protect the right of the organized workers to guarantee the registration of trade unions and their existence and protection of their members. (But the question of recognition of trade unions for the purpose of collective bargaining was not considered).

The question of granting recognition has been a subject of discussion at various sessions of the Indian Labour Conference and standing labour committees. On the fundament of these discussions the Indian Legislative Assembly approved an amendment of the Indian Trade Union Act on Nov. 19, 1947. This Amending Act provided for compulsory recognition of trade unions satisfying the prescribed conditions and penalizing unfair labour practices provided under the above said legislation. However this law was not brought in force by the government.[2]

It was not until 1958, when a voluntary procedure for the recognition of trade unions as bargaining agent, was agreed under the 'Code of Discipline' in industry and adopted by the Indian Labour Conference in May 1958.[3] Even today the problem of recognition has not been properly solved, which reduced every possibility of cooperation among the workers representatives and the employers on the plant as well as on the national level.

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1. Revri, C., The Indian Trade Union Movement, An Outline History 1880-1947, (New Delhi, Orient Longman Ltd., 1972) see p. 116.
2. Vaid, K.N., State and Labour in India, (London, Asia Publishing House, 1965), see pp. 166-167.
3. Ibid., see pp. 180-181.

Because of the multiplicity of unions mostly backed by political parties there is hardly any unanimity in their approach. Trade unions themselves are faced with the problem of internal rivalry and are not in a position to make a strong and just representation of the workers' problems.

It is very common that in any establishment where more than one union exist, the employers did not recognize any of them, not even the most representative union due to one or other reason prescribed under the Code of Discipline in Industry.[1] Furthermore, the recognition of the trade unions as sole representatives of the workers has become a complex issue partly because of the easy procedure of registration under the trade union Act, 1926, allowing any seven persons to form a union, false or meaningless organization with a high mortality rate,and partly because the existence of many strong trade union centres with a separate political and ideological orientation did not agree on any common solution because of differences in opinion.

Along with the 'Code of Discipline' in industry an 'inter-union code of conduct' was introduced in order to solve the problem of trade union recognition with an objective to remove the internal union rivalry.[2] Although this voluntary procedure helped a little, "it cannot be denied that it has not been successful in eliminating industrial disputes created by inter-union conflicts. Invariably one or the other minority union seeks to avail itself of the opportunity afforded by the Industrial Dispute Act to raise a dispute in a bid to undermine the recognized union."[3]

In general according to the 'Code of Discipline' it was provided that "where there is more than one union, a union claiming recognition should have been functioning for at least one year..., should cover at least 15 per cent of the

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1. Vaid, K.N., State and Labour in India, op.cit., p. 193.
2. Krishnaswami, C.S., Industrial Relations - Retrospect and Prospect, Paper presented at the conference held at Geneva on Industrial Relations, ILO, 1975, see p. 70.
3. Ibid., p. 7.

workers in the establishment concerned... and it has a membership of at least 25 per cent of the workers of that industry in that area", it will be recognized as a representative union in a local area and have the right to represent all workers in the industry.[1)]

In spite of all these voluntary regulations there are still many points of controversy among the differences of the trade union policy matters on the state and national level, which consequently weakened the solidarity among the working force, and very frequently led to industrial disputes resulting in low production and suffering of the wage-earners.

3. 2.3.2. Industrial Disputes

Strikes and industrial disputes generally related to matters like wages, bonus, living and working conditions, developed in India more rapidly after World War I, because of the sharp increase in prices and a general increase in the cost of living. It has been stated that during 1921, 396 strikes were reported affecting about 600,000 workers and accounting for a loss of a 7 million working days.[2)] Political turmoil because of the national awakening of the workers contributed towards industrial unrest resulting in the formation of the 'Industrial Disputes Committee' in Bombay and a similar 'Industrial Unrest Committee' in Bengal in order to investigate the causes of the unrest.[3)]

The joint works committees were formed on the recommendations of the Inquiry Reports to solve the labour problems and improve the relations between employers and employees. Trade unions were not consulted in these matters, therefore this institute failed to solve the workers grievances which led to numerous strikes in important industries during the following years.[4)]

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1. Vaid, K.N., State and Labour in India, op.cit., p. 193.
2. Revri, C., The Indian Trade Union Movement - An Outline History 1880-1947, op.cit., see p. 90.
3. Ibid., see p. 95.
4. Ibid., see p. 96.

The reappearance of the country-wide strike wave, started in 1927, reached its peak during 1928-29 and forced the government to introduce the first Trade Dispute Act, 1929,[1] in order to promote industrial peace in the country. This Act authorized the state and central government to form two tribunals, i.e. the board of conciliation, or the court of enquiry to solve a dispute.[2] It was not permitted to go on strike without a 'fourteen days' notice in public utility services, for example railway, post, telegraph, and telephone services, light and water supply, and conservancy or sanitation. Sympathetic strikes also were not permitted.[3] During 1937, when the Congress formed its government after a provincial autonomy, the number of strikes and agitations rose once again to the highest amount of 379, involving about 6,5 mio workers because of the prolonged period of economic depression, large scale wage-cut, and large scale unemployment in the country. It has been stated that during the whole decade the Industrial Dispute Act, 1929, was brought into use only five times, whereas the only methods used to suppress the strikes were the prohibitory sections of the 'criminal procedure code' and the police.[4] Although

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1. The old concept of industrial labour relationship was disturbed when the employers retaliated by declaring lockouts in many cases. Government was forced to introduce the first Trade Dispute Act, 1929.
   This legislation was provided to authorize the central or provincial government to establish two tribunals: a) the Board of Conciliation and b) the court of enquiry. The duty of a board of conciliation was to endeavour to bring about a settlement after investigating into the merits of a dispute, and the court of enquiry provided for in the act was ad hoc in nature and was only to enquire into specific matters referred to it and to submit its report thereon.
2. Giri, V.V., Labour Problems in Indian Industry, op.cit., see p. 73.
3. Ibid.
4. Revri, C., The Indian Trade Union Movement, op.cit., see p. 225.

the political factor was not less important, there were 238 disputes out of 379 for economic reasons and for wage and bonus demands.[1] In the province of Bombay, where the textile industry is concentrated, the Bombay Industrial Dispute Act, 1938, was introduced to provide an 'Industrial Court' for the settlement of disputes.[2]

During the war period a bane was proclaimed under the 'Rule 81 A' to the Defense of India Rule, and all strikes and lock-outs were prohibited. The government was empowered to "refer any dispute for conciliation or abjudication, to require employers to observe such terms and conditions of employment as might be specified and to enforce the decisions of abjudicators."[3] Soon after the end of the war, and because of the political changes, there was a widespread industrial unrest in India.

As India gained independence in 1947, the number of strikes rose to the highest amount of 1811 because of a steep increase in prices and a shortage of essential goods which led to a fall in the real wages of the worker. Over 1,8 mio workers were involved and 16,6 mio mandays were lost,[4] which led to an alarming fall in the industrial production.

In order to maintain industrial production at its maximum capacity and to reduce the industrial unrest the Congress government adopted the 'Industrial Dispute Act', 1947, consisting of essential principles of Rule 81 A of the Defense of India Rule.[5] Although the Act did not stop the strikes, it put an effective control over strikes. There was a sharp decrease in strikes and lock-outs in the following three years.

Since 1955 the figure of industrial disputes have shown a rapid upward trend and the mandays lost increased about three times over the last two decades, as has been shown in the following table:

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1. Giri, V.V., Labour Problems in Indian Industry, op.cit., see p. 74.
2. ILO Report, Wartime Labour Conditions and Reconstruction Planning in India (Montreal, 1946), p. 39.
3. Karnik, V.B., Strikes in India (Bombay, Manaktalas, 1967), see p. 329.
4. Ibid, see p. 334.
5. Ibid.

Industrial disputes in India during 1951-71[1)]

Year	No. of disputes	No. of workers involved	No. of man-days lost
1951	1,071	691,321	3,818,928
1952	963	809,242	3,336,961
1953	772	466,607	3,382,608
1954	840	477,138	3,372,630
1955	1,166	527,676	5,697,848
1956	1,203	715,130	6,992,040
1957	1,630	889,371	6,429,319
1958	1,524	928,566	7,797,585
1959	1,531	693,616	5,633,148
1960	1,583	986,268	6,536,517
1961	1,357	511,860	4,918,755
1962	1,491	705,059	6,120,576
1963	1,471	563,121	3,268,524
1964	n.a.	n.a.	n.a.
1965	1,835	991,159	6,469,992
1966	2,556	1.410,056	13,846,329
1967	2,815	1,490,346	17,147,951
1968	2,776	1,669,294	19,243,679
1969	2,627	1,826,866	19,048,288
1970	2,889	1,827,752	20,563,381
1971	2,752	1,615,140	16,545,636

It is obvious from the table that the number of disputes remained at a steady low level until 1954, while during 1955-63 it rose rapidly. Since 1965 to 1971 the figure of industrial disputes showed a very rapid upward trend and the figures on mandays lost reached from 3,8 mio to 16,5 mio.

There are many reasons for this rising trend of industrial unrest in the country. Most strikes occurred because of economic reasons although there were some which were organized for political purposes by the communists. An analysis of disputes by their cause has shown that during 1962, 30,2 % were organized for wages and allowances, 12,3 % for bonus, 0,7 % for leave and hours of work, 25,2 % for personnel and retrenchment and 31,6 % for other reasons.[2)]

There are other important causes of industrial disputes such as the 'Defense of India Rule' which became a part of the Industrial Dispute Act, prohibiting the right of strike

1. Bhagoliwal, T.N., op.cit., p. 155, and Statistical Abstract India 1972, Govt. of India, op.cit., p. 379.
2. Bhagoliwal, T.N., Economics of Labour and Social Welfare, op.cit., p. 157.

especially in the public sector and lead to a number of strikes in the preceding years.

A serious strike occurred because of the rationalization scheme and caused a number of dismissals of workers in the textile mills at Kanpur in 1955 and a loss of 1,693,747 man-days.[1)]

Soon after the adoptation of 'the socialist pattern of society as the objective of social and economic policy' the Indian Congress government took over all basic industries under state control in the early 1956.[2)] Because of the over-emphasis on heavy industry mostly financed by deficit financing led to ruinous inflation, caused a serious food shortage and a general deterioration of the economic situation. There was an over all industrial unrest in the private as well as in the public sector. For example important strikes were in the iron and steel works at Jamshedpur, and the steel town of Kulti Burnpur. There were at each plant some economic grievances. During 1959 and 1960 all the important industrial towns came under strike waves, and there also was a general strike of the All India Central Government employees which lasted five days, from July 11 to 16 in 1960.[3)] Police and army were used against the workers, to meet the threat. Although the strike was legal under the Industrial Dispute Act, it was declared illegal by the Central Government putting an emergency ordinance.[4)]

Because of the continous rise in prices as a result of vast expenditure on development and national defense, workers mostly suffered because of the falling real income, the imposition of 'Compulsory Deposit Scheme' had increased the grievances of the worker. All unions except those belonging to the INTUC in Bombay had decided to go on strike on Aug. 20 1963, which other big industrial towns followed later.[5)] All these strikes throw a revealing light on the workers problems during the 60s and show the dissatisfaction with

1. Bhagoliwal, T.N., Economics of Labour and Social Welfare, op.cit., p. 154.
2. Karnik, V.B., Indian Trade Unions - A Survey, op.cit., see p. 177.
3. Shiva Chandra Jha, The Indian Trade Union Movement, op. cit., see pp. 290-291.
4. Karnik, V.B., op.cit., see p. 262.
5. Ibid., see p. 281.

the prevailing industrial relation system which did not allow a fair dealing with the problems of industrial workers in India. It is partly because of the lack of trade unions' unity, and due to the compulsory conciliation and abjudication on the one hand and a bane on the 'right of strike' in the public sector on the other.

The uneven socio-economic development during the 60s and early 70s has intensified the miseries of the working force in the country, changing the pattern of labour protest to a very dangerous form, unknown in the western countries. It is called 'Gherao' and is mostly used by the militant trade unions in West Bengal and Kerala. The term 'Gherao' in the general sense means a form of workers' protest by which the management staff is held under duress for meeting workers' demands. In the judicial sense "occasionally it assumes the form of physical surroundings of such establishments thus shutting off access of the management hereto, thereby depriving them of their right to property."[1)]

Labour protest in the form of gherao became popular in India since 1967, when the leftist parties took over the government in West Bengal, which gave an opportunity to the militant unionists to adopt gherao as an effective weapon. According to a study there were some 1300 cases of gherao in over 800 establishments,[2)] which led to the dismissal of the leftist government which again was restored to power in 1969,[3)] Although the 'highest judicial tribunal' declared gherao as an illegal activity, still there were 100 cases of it during March and May 1969[4)], because of the protection of existing workers' benefits, rights and for their improvements

This new trend of industrial unrest in India shows the continous economic deterioration and dissatisfaction of the working class and a failure of the present industrial relations system being unable to solve the industrial disputes

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1. Nitish, R.D., Gherao as a Technique for Social Intervention, in: Dynamics of Labour Relations in India, ed. by Agarwal, R.D. (New Delhi, Tata Mcgraw-Hill Publishing Co., Ltd., 1974), p. 46.
2. Ibid., p. 48.
3. Ibid.
4. Ibid.

which caused a loss of over 20 mio mandays in 1973 and 31 mio mandays in 1974.[1)]

3.2.3.3. Collective Bargaining

The need for the planned industrial development in order to meet the economic requirements causes contradictions growing in India's industrial relations on the matter of collective bargaining in the private and public sector. Although a limited nature of collective bargaining had started quite early since the origin of Ahmedabad Labour Union in the textile industry, it was the Bombay Industrial Relations Act 1946, and the Industrial Dispute Act, 1947, which one by one first introduced collective bargaining and then permanent government conciliation machinery to provide mutual agreement.

Generally there are three types of collective bargaining by which industrial disputes are settled: firstly through direct negotiation between the disputing parties; secondly there are settlements with the help of the Conciliation Officers functioning under the Industrial Disputes Act; finally through the intervention of the abjudicatory tribunal, leading to compulsory awards binding both parties.[2)] "...The endeavour of the state has all along been to encourage mutual settlement, collective bargaining and voluntary arbitration to the utmost extent, and thereby reduce to the minimum occasions for its intervention."[3)]

Collective bargaining can never develop into an effective instrument of regulating bilateral relations and disputes settlements as long as arbitration and adjudication by a third party are available even as measures of last resort.

V.V. Giri - he set about to champion the lost cause of collective bargaining and tried to revive the defunct Bills

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1. Krishnaswami, C.S., Industrial Relations - Retrospect and Prospect, op.cit., p. 67.
2. Subramanian, K.N., Labour Management Relations in India, (London, Asia Publishing House, 1967), see p. 486.
3. Ibid., p. 101.

of 1950. His efforts in this direction were born out of his genuine conviction that collective bargaining was superior to compulsory adjudication and the availability of the latter had an inhibiting effect on the former.

The consensus of opinion among trade union leaders and state governments at the 1952 Labour Conference was that, in view of the lack of bargaining strength of trade unions, it would be unwise to rely on collective bargaining.

The question whether in India the key note of the industrial relations policy of the state should be compulsory adjudication or collective bargaining or a combination of both is assuming great importance.

This type of policy could encourage internal settlement of industrial disputes, giving freedom to the parties from the shackles of compulsory arbitration, restoring to them their self-confidence and responsibility and including a spirit of self-government should be the basis of this policy.

Soon after the formation of INTUC, as a labour wing of the Indian National Congress, India took recourse to compulsory adjudication as the only resort to solve the industrial disputes. Despite V.V. Giri's struggle, a prominent labour leader and labour minister, he was not able to convince the government to restore the collective bargaining for the establishment of industrial peace.[1] Collective bargaining was restricted on the ground that "if fair and proper justice as between the parties is the aim, it is necessary to see that the advantage of any unequal position is not taken easily by any party, and that this could be secured only if there is a provision for compulsory arbitration."[2]

All central labour organizations were in favour of both systems, on the one hand they wanted to have a collective bargaining right to deal with employers and on the other hand also government protection without any restriction on their own activities. For this reason, since her independence, the government of India has used a contradictory approach towards labour disputes, putting

1) Agarwal, R.D., Dynamics of Labour Relations in India, ed., (New Delhi, Tata Mcgraw-Hill Publishing Co., Ltd., 1974), see p. 102.
2) Ibid.

restrictions on collective bargainings in favour of compulsory adjudication.

However, there is a number of collective agreements mostly based on plant or industry-wide in a particular locality like cotton, jute, and engineering on the matter of employer-employee relationship, like wages, bonus, working conditions, leave, fringe benefits acts. In most cases, as a result of union multiplicity and internal rivalry, collective bargaining is not possible because of the lack of single bargaining agents in a single industry or state level recognized federation.

In order to promote voluntary arbitration among the employers and trade unions, tripartite conferences, joint consultative boards, industrial committees and the working committees played a significant role to develop the collective bargaining, but the bargaining has so far been in most cases influenced by the local customs and old traditions.

As there was a lack of clear-cut provision under the Industrial Dispute Act for collective bargaining, efforts of encouragement were made under the Code of Discipline in industry and the Tripartite Truce Resolution adopted in 1962. Under this resolution it was provided that "all complaints pretaining to dismissal, discharge, victimization, and retrenchment of individual workmen, not settled mutually should be settled through arbitration. For this purpose the officer of the Conciliation Machinery, may if the parties agree, serve as arbitraters."[1] Furthermore it was agreed "that affirming their faith in democratic principles, they bind themselves to settle all future differences, disputes and grievances by mutual negotiation, conciliation and voluntary arbitration."[2]

In general, because of the politicisation of industrial relations and the existence of many trade union centres with different ideologies, bargaining has been made more complicated. It is not unnatural to believe that even after a bargaining has been reached there are possibilities for the other representatives who were not included, to continue the dispute for the sake

1. Vaid, K.N., State and Labour in India, op.cit., p. 250.
2. Mathur, K. and Sheth, N.R., Tripartitism in Labour Policy - the Indian Experience, (New Delhi, Shri Ram Centre for Industrial Relations, 1969), p. 171.

of personal prestige and rivalry, thus causing harm to the workers' interest.

3.2.3.4. Labour-Management Relations

The maintenance of industrial peace and higher production has increased the importance of the labour management relationship in recent times. Unlike many developed countries the employer-worker relations in India have not been improved because of the traditional socio-economic structure based on authoritarian and feudalistic attitudes. The spirit of partnership in industrial production and organization is far away, which hamper the cooperation between the management and the workers even today.

It was provided under the Industrial Disputes Act, 1947, to set up 'Works Committees' consisting of equal representatives of workers and employers in industrial establishments in which 100 or more workers are employed. The Works Committees "are to promote measures for securing and preserving unity and good relations between the employer and workmen and to that end to comment upon matters of their common interest or concern and endeavour to compose any material difference of opinion in respect of such matters."[1] Members of the Committee are to be elected in consultation with a trade union, but because of the multi-union character and friction among the union leadership, this is not observed and a certain group captures the Committees representing not all workers but a part of it. Works Committees are empowered to solve internal grievances of the workers at plant level and in case they fail, the matter will be referred to the Conciliation Board. Although this experience has some positive effects, in most cases because of the obstructive attitude of the employers and the lack of recognized trade unions works committees usually end in a state of dissatisfaction.

Under the Factory Act, of 1948, it was provided to appoint a 'Welfare Officer' in a factory employing 500 or more persons.[2]

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1. Myers, A.C., Labour Problems in the Industrialization of India (Harvard University Press, Cambridge, Mass., 1958), p. 126.
2. Giri, V.V., Labour Problems in Indian Industry, op.cit., see p. 105.

It is his duty to "see that the provisions to the Act relating to labour welfare and working conditions were observed by managements, that harmonious relations between labour and management were established, and that grievances of workers were settled promptly."[1] However, it cannot be said that these have been effective and successful in India, because in most cases the employers appoint welfare officers merely for the purposes of complying with statutory provisions of the Factory Act, which considered welfare officers as mere subordinates to carry out their dictates.

The utility of this institution cannot be achieved unless they are allowed to function impartially and in the interest of the workers to promote industrial peace. It has been claimed by a group of labour welfare officers that "some managements use labour officers to carry out decisions, which had already been made and give them no leeway to negotiate or mediate." One embittered labour welfare officer in the coal industry said that "we are expected to legalize illegal actions or get out".[2]

In order to improve the labour-management relations and workers participation in the management a scheme of 'joint management councils' were formulated on a voluntary basis in early 1958, on state and national levels. Since the establishment of this scheme the progress has been very slow, as there is a lack of recognition of the rights and the claims of the working people. At present the Councils are working in 80 establishments, 31 in the public sector and 49 in the private sector.[3]

It has been claimed that only minor and routine matters are discussed under the meetings which do not help to improve the working conditions and labour management relations in the Indian industry.

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1. Myers, A.C., Labour Problems in the Industrialization of India, op.cit., p. 116.
2. Ibid., p. 118.
3. Krishnaswami, C.S., Industrial Relations - Retrospect and Prospect, op.cit., p. 78.

3.2.4. Trade Union Leadership

3.2.4.1. Worker Leadership

The absence of adequate leadership among the working classes because of the negative attitude of the employers and their authoritative behaviour to victimize worker leaders were deemed a major justification for the present situation of Indian Union activities leaning on a political basis. There are many reasons for it, generally workers are illiterate and cannot be in a position to bargain with the employers. Moreover, radical or militant representatives from the ranks of workers are marked immediately and are mostly dismissed at the first opportunity because of one or other reason. Another important hindrance in the way of worker-leaders is the language problem, which reduced the possibility of a less educated factory worker to become union-leader. In India English still is the only common language which integrates south and north.[1)] That is the reason why trade union leadership mostly is in hands of persons having little industrial background. Consequently they did not understand the need of the economic necessities of the working people.

Furthermore, the extremely poor finance of the Indian trade unions did not allow any education of the rank-and-file leadership to undertake their own policies for the betterment of the wage-earners.

Because the majority of the workers come from rural areas, an ordinary worker in very limited cases has an opportunity to rise up to the local level. But there is hardly any chance to rise at the national level. The majority of the rural workers are basically dependent for guidance and direction on their leaders and their leadership personality.[2)]

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1. Millen, H.B., The Political Role of Labour in Developing Countries (Washington, D.C., The Brooking Institution, 1963), see p. 29.
2. Raman, N.P., Political Involvement of India's Trade Unions, (London, Asia Publishing House, 1967), see p. 58.

The relationship between the members and their leaders is so unrealistic and superficial that the expectations are too high, which an ordinary worker, in the opinion of their fellow workers cannot fulfill, because "workers look up to him to solve all their difficulties and to secure for them all their demands. They rely upon him as their defender and champion and are prepared to follow him wherever he may lead them."[1] Such an attitude reduced every possibility of a workers' initiative to lead their unions.

3.2.4.2. Non-Worker Leadership

In a developing society such as India, the non-worker leadership of trade unions has an important role to play. As claimed earlier in this study, the trade union movement was started by 'outsiders' who since then remained in control of a significant part of the movement right up to the present. These outsiders in most cases are physicians, teachers, civil servants, most frequently lawyers[2], who devote either part or full time for the trade unions with different motivations and personal interest rather than to share the miseries of the wage-earners.

There are complaints against outsider leadership, about corruption, misappropriating of the union funds, creating confusion in the accounts, making an unofficial levy during bargaining on wages and bonus, and blackmail of the employer, selling him industrial peace.[3] In spite of all these claims the 'outsider' or non-worker leadership still is the most dominating factor because the workers are not encouraged and trained by their unions to lead them, which clearly shows that the outsider leadership did not take any interest in the trade union education which consequently can reduce their influence on the trade union movement.

The justification of outsider leadership is itself guaranteed by the Trade Union Act, 1926, which allowed fifty per cent

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1) Karnik, V.B., Indian Trade Unions, op.cit., p. 306.
2) Millen, H.B., The Political Role of Labour in Developing Countries, op.cit., p. 27.
3) Subramanian, K.N., Labour-Management Relations in India, op.cit., see pp. 188-189.

of the trade union officials to be non-workers.[1] For example, "out of the 25 members on the working committee of the Assam branch of the INTUC, 18 (72 per cent) were outsiders who had never been employed in any industry, 4 (16 per cent) were outsiders who had at one time been employed in industry but not at the time of the enquiry and 3 (12 per cent) were workers employed in industry".[2] Moreover, the author claims that "an interesting revelation is that the majority of the members of the working committee received emoluments from INTUC."[3]

The most important problems are created by the outsider union leaders because most of them are lacking trade union consciousness and often have no unified approach to labour problems due to their association with different ideologies and different political groups.

Furthermore, the outsider keenly interested to remain in office is mostly concerned with a large nominal membership and a small minimum paying-membership as an indicator of success. Most of them are least concerned with the social and economic problems of their members.

Any legislative provision for the elimination of the outsider influence on the trade union movement till now has been opposed by the tripartite conferences which are mostly dominated by leaders and workers representatives not drawn from the ranks of workers[4], on the ground that industrial peace could only be preserved with the help of outsider leadership, whereas it has been generally accepted that the role of non-worker leaders has produced more negative effects on the development of a healthy trade union movement in the country.

Another important aspect of outside leadership is that most of them are holding key positions not only in one or two but some at the same time functioning as head of 30 to 50 unions,[5]

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1. Vaid, K.N., State and Labour in India, op.cit., see p. 169.
2. Subramanian, K.N., Labour-Management Relations in India, op.cit., p. 187 (quoted from The Trade Union Movement in India, by Mathur, A.S. and Mathur, J.S.
3. Ibid.
4. Ibid., see p. 191.
5. Galenson, W., Ed., Labour and Economic Development, op.cit., see p. 42, also see M. V.d. Bogaert, Trade Unionism in Indian Ports, op.cit., p. 112.

which clearly shows that on the one side a real leadership is lacking. The interests of the outsider often is to make his own name and prestige on the cost of labour. This situation led towards weakness and instability of the trade union's future in the country. In order to cure this disease trade union education and legislative methods are urgently required to develop an effective leadership from the rank-and-file of the workers.

3.2.4.3. Political Trade Union Leadership

The most important type of union leadership is that of politicians who are active in the trade unions either for their own interest or for the sake of their political parties. The reason lies in the history of the origin of the trade union movement which started in the era of the political and non-cooperative movement and civil disobedience, and the emergence of communist forces in the country, which led to the formation of the first trade union centre in 1920.[1)]

All three forces in the country, which had been established after World War I, nationalists, socialists and communists, all with their own interest, were represented in the trade union centre for political support against the British rule. Since then the leadership of the trade union movement has remained in the hands of some prominent politicians like Mahatma Gandhi, Jawaharlal Nehru, V. Patel, and others of similar stature.[2)]

Although Indian trade unions are formally independent because of the politicians, they are very closely associated with the political parties, which not only decide and execute union policies but also use trade unions as an instrument for the achievement of a party's objectives. As Prime Minister Nehru told Parliament in 1949, "the Communist Party of India has recently concentrated on the issue of a general strike in the

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1. Johri, C.K., Unionism in a Developing Economy, (London, Asia Publishing House, 1967), see p. 14.
2. Subramanian, K.N., Labour Management Relations in India, op.cit., see p. 514. Also see Agarwal, R.D., Dynamics of Labour Relations in India, op.cit., see p. 64.

railways as well as other essential services of paramount importance to the community. It has looked upon these strikes not from the trade union or economic point of view, meant to better the lot of workers, but designed to create chaotic state in the country which, it is thought, would help the party gain its objectives, whatever they might be."[1)]

Moreover, it has been claimed by an ex-Secretary of INTUC that "INTUC leaders, from the very beginning to this day, are in the pockets of capitalists and the government."[2)] These observations seem to be true, as it was proposed under the All-India Congress Committee in 1958 that "(1) no rival or independent union should be formed by Congress Party members outside the INTUC and any party member who has already created a labour organization outside the INTUC must immediately bring it within the fold of the INTUC and agree to any decision of the INTUC regarding the way the organization was to be dealt with; (2) Party members engaged in the INTUC work should make their contributions towards Congress activities in the manner desired or required by the Congress Organization; (3) it was desirable that the INTUC workers should do their best to strengthen the Congress."[3)]

In general all the important and influential leadership of the union was provided by the political parties with their party interest. Consequently it has undermined the cause of the workers, and lead to political exploitation of the workers and their unions.

Till now Indian trade unions under the leadership of politicians have not been able to create industrial peace and achieve their basic rights, because of a poor organizational structure and lack of financial sources. Besides, the political leadership has little interest in the workers' problems, contrary to that they do their trade union work as a part of their political work. On the matter of economic issues the attitude of the central union leadership is very controversial because of their

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1. Agarwal, R.D., Dynamics of Labour Relations in India, op. cit., p. 65.
2. Subramanian, K.N., Labour-Management Relations in India, op. cit., p. 513.
3. Agarwal, R.D., op.cit., p. 65.

ideology which leads to confusion and very frequently to disputes.

It is generally claimed that most of the outside leadership is not competent because of the lack of trade union training to guide union activities. As Srivastava writes to explain the situation: "Becoming leaders of trade unions has become a fashion amongst the politicians of our country. Persons with little knowledge of the background of labour problems, history of labour movement, fundamentals of trade unionism and the technique of industry and with even little general education assume the charge of a labour union and become the self-appointed custodians of the welfare of workers."[1)]

Furthermore, whatever leadership training they have, in most cases was acquired in the battlefield of politics on the one hand and through education organized by their party on the other for example, in the early 1920s several young Indians were trained by the 'Red International' of Trade Unions in Moscow.[2)]

The political union leadership has continued to dominate even to this day and seems little interested in the development of a workers' leadership with the argument that as a less educated worker leadership did not fully understand the complicated labour legislation, outside leadership is the only source to fight for the working people.

The opinion of David Morse, of the ILO is that "the predominance of outsiders in union leadership has, however, created difficulties. Outside leaders who secured their position for political purposes have been responsible for much harmful inter-union rivalry, sometimes sacrificing the workers' interest to those of the party to which they belong."[3)] In a recent survey, in which 40 trade union leaders were interviewed, it has been stated that 13 could be identified with the Communist party, 8 with the Indian National Congress, 3 with the Revolutionary Socialist Party, 2 with the Samyukta Socialist Party, 4 with the

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1. Agarwal, R.D., Dynamics of Labour Relations in India, op.cit., p. 79. Cited from K.N. Srivastava, Industrial Peace and Labour in India (Allahbad, 1954), p. 118.
2. Raman, N.P., Political Involvement of India's Trade Unions - A Case Study of the Anatomy of the Political Labour Movement in Asia (London, Asia Publishing House, 1967), see p. 58.
3. Subramanian, K.N., Labour-Management Relations in India, op. cit., pp. 515-516.

Praja Socialist Party, one with the Rashtriya Swayam Sevak Sangh, and 9 with no party at all.[1)]

In fact the rank-and-file leadership in the Indian trade union movement has not yet been sufficiently managed to take over the union leadership because of the negligence of trade union education and training, lack of proper labour laws and labour policies of the state, and dominance of the politicians on the labour-front.

3.2.5. Role of the Government

3.2.5.1. Labour Policies

Labour policy in India has been one of the most important factors shaping the trade union structure and union-management relationship as well as union-government relationships since her independence. Labour policy under the British rule during the period 1919-1940, a period of great tension because of the increase of cost of living and economic miseries which brought in a strong labour unrest and more frequent strikes all over the country,[2)] was basically formulated to achieve two ends: one, to ensure labour a minimum of protective legislation against the more flagrant abuses of the industrial environment; and two, to ensure that labour-management frictions did not disturb the peace and security of the state.[3)] Soon after the close of World War II, in order to reduce the tension among the industrial workers a few policy measures were taken by the British government, among which was the establishment of a 'national tripartite machinery', the Indian Labour Conference, to formulate an acceptable labour policy was one step, and empowering itself through the 'Defense of India Act', passed during the war; to forbid strikes or lockouts and to alter working and

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1. Munson, C.F., Indian Trade Unions: Structure and Function, (Michigan, Ann Arbor, University of Michigan, 1970), p. 111.
2. Myers, C.A., Industrial Relations in India, op.cit., p. 242.
3. Ibid.

employment conditions was the other step.[1] It is evident from these facts that the pre-independence labour policy was not in favour of strong and free trade unionism, and industrial peace was provided by compulsory conciliation and arbitration. Trade unions had a very limited role under the prevailing legislation to regulate the working and employment conditions of their members.

With the formation of a national provisional government under the leadership of Mr. Nehru in 1946, the Congress Party, with a view to protect and promote the working class interest, declared a five year programme for labour (1946-51), with the intention of revising "the existing labour legislation; elimination and strict control of contract labour; extension of employment exchanges; evolution of fair terms of services; introducing minimum wages in selected industries; and organization of health insurance schemes."[2]

In general it was the intention of the Congress Government's labour policy to make trade unions dependent upon the government by introducing several laws designed to facilitate direct intervention in industrial relations and restrictions on the trade union activities.[3] With the transfer of power from the British, the Indian government also inherited 'Section 144 of the Criminal Procedure Code' which enables the government to ban meetings, demonstrations and strikes of all kinds to check the union activities,[4] which led to a compulsory arbitration used as a force with a view to help the Congressled trade unions (INTUC) and hold a strong footing for political purposes.[5]

Another distinctive feature of this period was the adoption of the 'Industrial Truce Resolution' in a tripartite conference called by the government in order to improve the industrial relations and the formation of a 'Fair Wages Committee' to remove

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1. Myers, C.A., Industrial Relations in India, op.cit., p. 245.
2. Vaid, K.N., State and Labour in India, op.cit., p. 218.
3. Crouch, H., Trade Unions and Politics in India, op.cit., see pp. 48-49.
4. Ibid, p. 49.
5. Dwarkadas, K., Forty-Five Years with Labour, (Bombay etc., Asia Publishing House, 1962), see p. 83.

the grievances of the working people on their wages and bonus issues, but because of the dissolution of the Parliament the matter remained unresolved.[1] An attempt to replace the existing Trade Union Act, 1926, and Industrial Dispute Act, 1947, also failed because of the opposition from both the left wing and a section of government employees unions, who supported compulsory adjudication against collective bargaining. Furthermore, objections were raised on the ground that a number of restrictions had been placed on the right to strike; and that the employers had been given a wide power to retrench their employees under certain conditions.

For economic planning to raise the standard of living of the people and to ensure large employment opportunities, the Indian government was forced to make a shift in her labour policy with a view to maintain industrial discipline and the well-being of the working masses. It was argued that "in an economy, which is organized for planned production and distribution, aiming at the realization of social justice and welfare of the masses, strikes and lock-outs have no place... Taking the period of the next few years, the regulation of industrial relations in the country has to be based on these two considerations and it is incumbent on the state to arm itself with legal powers to refer disputes for settlement by arbitration or adjudication if efforts to reach an agreement by other means fail."[2] It may be seen from the government policy that the trade unions were not granted their basic right to strike and they were also not recognized as the sole representative of the workers for collective bargaining, whereas industrial relations were established through a system of 'labour tribunal', which stopped the growth of trade unionism as a strong and healthy movement for the protection of the rights of the workers. Thus the unions depended on government.

In order to avoid labour disputes during the 1st plan period 'Works Committees' at plant-level and 'Industrial Joint-Committees' at State level were established; and it was provided to set up a 'Central Tribunal' to settle all disputes on an all-

1. Vaid, K.N., State and Labour in India, op.cit., see pp. 93-94.
2. Government of India, The First Five Year Plan, A Draft Outline, Planning Commission, New Delhi, July 1951, p. 182.

India level. Furthermore, it was the intention of the government to extend all labour laws to the workers in the public sector, and a Board of Directors in public undertakings, consisting of members sympathetic to labour problems, was formed to assist on the matter of labour-management relations. In the field of wages and social security along with the Minimum Wage Act, 1948, the Workmen's Compensation Act, and Maternity Benefits Acts, the Central Government introduced two new steps: (1) to establish Wage Boards on a tripartite basis to deal with wage problems, (2) to introduce an Employees State Insurance Scheme for the protection of workers during sickness and injury.

With regard to working conditions, the prevailing Factory Act, 1948, was extended by paying more attention to the provision of expansion of inspection-staffs.[1)]

Much of what has been said with regard to labour policy in the first five year plan holds good as a basis for the future, while most of it remains to be realized, and the progress was only limited because of the financial and technical difficulties during the plan period.

Labour policy was given a new pattern in the light of the principle of a 'socialist pattern of society', under which the Second Five Year Plan was formulated. It was recognized that "for the achievement of industrial democracy a strong trade union movement is necessary."[2)] In the matter of industrial relations the objective should be industrial peace that could be achieved through mutual negotiation, conciliation and voluntary arbitration and in intractable cases through compulsory arbitration. It was also provided that "the existing bipartite joint consultative machinery, namely the Joint Consultative Board should be more effectively utilized; and for the successful implementation of the plan, increased association of labour with management is needed, which could be achieved by councils of management consisting of representatives of managements, workers and technicians."[3)]

With regard to wage policy and social security, tripartite

1. Government of India, The First Five Year Plan, Planning Commission, (New Delhi, 1952), see pp. 116-122.
2. Government of India, The Second Five Year Plan, Planning Commission, (New Delhi, 1956), see pp. 175-177.
3. Ibid.

wage boards were to be set up, and the 'Employers' Provident Fund Scheme' was to be extended to industries and commercial establishments employing 10.000 workers or more in the country. It was promised that steps were to be taken to ensure better working conditions and continous employment to contract labour.[1]

All the measures taken during the Second Plan Period were continued in the next Five Year Plan (1961-66) with a few changes providing a new direction in the government labour policy. With regard to industrial relations, "'A Code of Discipline' in industry, which applies both to the public and private sector, had been agreed voluntarily by all the central organizations of employers and workers and has been in operation since the middle of 1958. The Code lays down specific obligations for the management and the workers with the object of promoting constructive co-operation between their representatives at all levels... facilitating the free growth of trade unions, discouraging careless operation or negligence of duty on the part of the workers, and eliminating all forms of coercion and violence in the industrial relations."[2]

In addition, after a long time, two new fields have been discovered to improve the situation of the industrial worker, (1) the programme of workers' education and (2) the participation of workers in the management.[3] Under this policy it is also recommended to establish a 'Code of Efficiency and Welfare', "it will help in cultivating the right kind of attitudes on the part of the management and workers, and will define in concrete terms the responsibilities of both for achieving these ends."[4] It is obvious from the policy statement that the government has realized the need for free trade unionism on the one hand; and on the other hand the right of collective bargaining is partly recognized, especially in the private sector. In spite of all these codes for the betterment of industrial relations the attitude of the management in the public sector is

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1. Government of India, The Second Five Year Plan, op.cit., p. 177.
2. Government of India, Third Five Year Plan, Planning Commission (New Delhi, June, 1960), a Draft Outline, p. 88.
3. Ibid., see p. 89.
4. Ibid., p. 90.

very critical, because many of the members of the Board of Directors are recruited from the Civil Service, having little understanding of labour and their problems.

Under the Fourth Five Year Plan (1969-74), it is recognized that greater emphasis should be given on collective bargaining both in public and private sectors, and improvements are required to implement the codes and labour legislation, in the management and administration of conciliation machinery in order to improve the industrial relation system. All the measures taken under previous plans have made an extremely limited progress, for example there were only 236 Works Committees in the public sector and 3.400 in the private sector reported to be functioning in 1965.[1] Furthermore there were only 41 Joint Management Councils in the public sector, and only 81 in the private sector operating during the same period.[2]

Moreover, it is also provided that trade unions should be represented in more advisory bodies, like Development Councils; Productivity Councils, Labour Welfare Boards etc.,[3] but it is still a hope beside all these promises and a nominal participation. The trade unions should be recognized and get their proper place in the decision making authorities in order to solve the socio-economic problems of their members.

Since June 1975, after a continous political unrest in the country, which gave a new trend to national activities, national emergency had been proclaimed and a new 20-point economic programme had been announced by Prime Minister Indira Gandhi.[4] All sorts of strikes, go-slow, gheraos and lockouts had been prohibited under the name of economic development. It has been argued that the working class had a major role to play, and their organized might had to be used for rapid economic growth. But contrary to that a ban on strikes, without doubt, did reduce the bargaining power of the trade unions, and restricted their development as an equal partner in the process of social

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1. Fourth Five Year Plan, Government of India, Planning Commission (New Delhi, 1966), p. 388.
2. Ibid., p. 389.
3. Ibid., see p. 391.
4. Asian Labour, Asian Regional Organization - ICFTU, New Delhi May, 1976, Vol. XXIV No. 129, see p. 2.

development.

Furthermore, the 'Emergency Economic Programme' spoke only of the "New Scheme for Workers' association in Industry" and declared 'Bonded Labour' illegal, but in reality labour participation in management had already been accepted in principle quite early in the second plan period, though there had been no progress at all the last fifteen years. According to the report of the Labour Ministry, some 47 establishments in the public sector have either implemented the scheme at 'shop-floor and plant levels', or initiated actions to implement the scheme.[1)]

Soon after the National Emergency declaration, a 21-member Apex body was established by the government, representing all three trade union centres, employers' organizations and the government, with the object to prepare proposals and schemes relating to problems of industrial relations.[2)]

At the end, it seems important to note that in spite of all these policy measures and labour laws it is not clear, in which direction the government policy is leading: whether towards statutory enforcement or mutual cooperation with collective bargaining, it is clear, however, that government labour policy has never aimed to strengthen the democratic and independent trade union movement.

3.2.5.2. Labour Legislation

Indian labour legislation has been developed since her independence from the legacy of the colonial regime, which was basically concerned with political order and security, rather than labour welfare and social justice.

World War I had brought a new wave of industrial unrest because of serious economic suffering of the poor masses, which forced the colonial government to introduce a number of Labour Laws such as the Indian Factory Act, 1922, the Indian Mines Act, 1923, the Indian Workmen's Compensation Act, 1923, the Indian Trade Union Act, 1926, and the Trade Dispute Act, 1929.[3)] Although these measures were taken to satisfy the growing mass agitation, in reality their impact on the labour situation re-

1. Asian Labour, op.cit., No. 127, see p. 26.
2. Ibid., August 1975, Vol. XXIII, No. 121, see p. 28.
3. Giri, V.V., Labour Problems in Indian Industry, op.cit., see pp. 15-16.

mained unchanged and the hostile attitude of the employers and government continued.

Few amendments were made on the recommendation of 'Royal Commission on Labour' which was set up to investigate on the labour condition in 1929.[1] The Royal Commission criticized the prevailing labour laws on the ground of poor inspection, lack of proper administration and low medical and health facilities, and miserable living and working conditions. According to the suggestions of the Commission the new Factories Act, 1934, and the Payment of Wages Act, 1935, were enacted and remained in force till independence.[2]

After the achievement of 'Provincial Autonomy' the Congress Party showed a very sympathetic attitude towards labour legislation, and came forward with new proposals for regulations of labour conditions, extension of protection afforded to child and women labour, and legislation regulating industrial disputes. But with the outbreak of World War II the situation was changed, leading the government to maintain industrial peace by declaring emergency under the Defense of India Rules in 1942.[3] A permanent Tripartite Labour Organization was set up in the same year in order to improve the existing labour legislation with the cooperation and consultation of workers representatives and employers.

The present existing labour legislation in India may be broadly classified under the following categories: legislation i) relating to factories; ii) relating to mines; iii) relating to Industrial Relations; iv) relating to wages; v) relating to transport; and vi) relating to Social Security and Welfare.

1) Factory legislation. Prior to 'the Factory Act', 1934, there were very simple laws for regulating the condition of labour, designed to protect children and to provide minimum health and safety measures. The law was revised on the recommendation of the Royal Commission in 1934. After independence a Bill was passed for the amendment of this Act. This new Act was

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1. Giri, V.V., Labour Problems in Indian Industry, op.cit., pp. 15-16.
2. Vaid, K.N., State and Labour in India, op.cit., see pp. 36-37.
3. Myers, C.A., Industrial Relations in India, op.cit., see p. 245.

called the Factory Act, 1948, which came into force on April 1, 1949. It is provided under this Act that "it extends to the whole of India except the state of Jammu and Kashmir and applies to all establishments employing 10 or more persons where power is used and to establishments employing 20 or more persons where power is not used."[1)]

The hours of work for adults have been fixed at 48 per week and 9 hours per day and for children 4 1/2 hours a day were prescribed. A minimum of 20 days leave annually is prescribed. The responsibility for implementation and administration rests on the state governments. It is also provided under this Act that factories employing 250 workers are required to supply cool drinking water in summer, and factories employing 500 or more workers are required to appoint Welfare Officers.[2)] Some minor amendments were made in 1949, 1950, 1953 and 1954.

2) Mines Legislation. The First Act regulating working conditions in Indian mines was passed in 1901. After a long struggle this Act was replaced by the 'Indian Mines Act', in 1923. It was provided under this Act that working days were limited to six a week, and weekly hours of work were limited to 54 below ground and 60 above ground. The employment of children under 13 was prohibited. The main purpose of this Act was the safety of mine workers rather than welfare. When the National Congress came into power, an amendment was brought in 1952, with the consideration to improve and regulate the working conditions and to provide certain amenities to mine workers. This Act was amended once again in 1959. The Central Government, however, is empowered to exempt any mine or any person from the operation of any part or all provisions of the Act.

Under this Act the Central Government was authorized to form rules for mine workers. A Mines Rule, 1955, was framed by the

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1. Vaid, K.N., State and Labour in India, op.cit., see p. 38.
2. Bhagoliwal, T.N., Economics of Labour and Social Welfare, (Agra, Sahitya Bhawan, 1966), see p. 291.

Central Government to appoint the Mining Board and the Courts of Enquiry.

Working hours have been limited to 9 per day and 48 per week, in the case of surface employment, and in the case of underground to 8 per day and 48 per week. Holidays with wages and leaves are provided at the rate of one day for every 16 days of work after a year's service, at the rate of average daily wage.[1)]

3) Industrial Relations Legislation. a) Indian Trade Unions Act, 1926. The First Act about trade unions comprising many specified requirements was passed in 1926; its various provisions apply only to registered unions. It permits any seven or more members to form a trade union and can apply to the registrar for registration. It is compulsory for the union which applies for registration, that not less than one-half of the total number of their officers shall be persons engaged or employed in an industry to which the trade union belongs. Moreover, it is permitted under the law that a registered trade union can constitute a separate fund for political purposes. This law did not impose obligation on employers to recognize and deal with registered trade unions. An amendment was made under the trade union (Amendment) Act of 1947), which provided a compulsory recognition of the trade union. Until now this has not been the practise.[2)]

This Act was further amended in 1960 according to the recommendation of the Indian Labour Conference; till now it remains unchanged.

b) Industrial Dispute Act, 1947. Under this Act several different authorities were created to solve industrial grievances on state and national levels like:[3)] Works Committees in every establishment employing 100 or more workers; Conciliation Officer; Board of Conciliation; Court of Enquiry; Tribunals; National Tribunals.

The Act seeks to give a new direction to the whole conciliation machinery, but because of complicated distribution of power between the State and Central Government the law mostly remains unaffected. Some states have passed their own Acts, for example

1. Bhagoliwal, T.N., Economics of Labour and Social Welfare, op. cit., see pp. 294-297.
2. Vaid, K.N., State and Labour in India, op.cit, see pp. 167-72.
3. Ibid., see pp.145-146.

the Bombay Industrial Relation Act, 1946, the Uttar Pradesh Industrial Dispute Act, 1947, and the Madhya Pradesh Industrial Relations Act, 1960.[1)]

c) The Industrial Employment Act, 1946. This Act applies to all establishments employing 100 or more workers, with a view to regulate the conditions of employment, recruitment, discharges and disciplinary actions. Minor amendments were made in 1950, 1951 and 1961.[2)]

4) Wages Legislation. a) The Payment of Wages Act, 1936. There was no such law to regulate the wage payment before 1936. Some salient features of this Act relate to i) fixation of wage period and time for payment; ii) deductions from wages; iii) levy of fines.[3)]

b) The Minimum Wages Act, 1948. On the recommendation of the Royal Commission of Labour, it was passed in 1948; enabling the State and Central governments to fix minimum wage payable to workers in selected industries. The minimum wage rate, however, has not been fixed in most occupations. Amendments were passed in 1950,1951, 1957 and 1961. The Act covers mostly the small type of establishments and most of the scheduled employments.[4)]

5) Transport Legislation. a) The Indian Railway Act, 1930. Until this date there was no legislation regarding working conditions in railway, which constitutes the largest employment in the public sector in India. An amendment was made in the old Indian Railway Act, 1890, in 1930. The hours were limited to 84 a week for persons whose work was declared intermittent, and 60 hours a week for the continous workers. This working limit was reduced to 75, 54 and 45 hours per week for essentially intermittent, continous and intensive workers respectively in 1951.[5)] In spite of minor changes introduced in the Railway Act their conditions of service are far from satisfactory.

b) The Dock Workers Regulation and Employment Act, 1948. Labourers working in docks are employed by various agencies, like

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1. Bhagoliwal, T.N., Economics of Labour and Social Welfare, op.cit., see p. 303.
2. Giri, V.V., Labour Problems in Indian Industry, op.cit., see pp. 128-129.
3. Ibid., see p. 141.
4. Ibid., see pp. 141-142.
5. Ibid., see pp. 133-134.

port trusts, stevedores, coal firms, owners of barges. There was no comprehensive law about working conditions until 1934, which was amended and reframed in 1948. This Act empowered the Central Government in the case of major ports and State governments in other ports to frame schemes for the fixation of wages, working hours, weekly rest, and other welfare measures.[1] The Act was amended once again in 1951 and 1961. All employing agencies are indifferent towards these measures.

6) Social security and welfare legislation. Very few measures are taken in this regard to provide safety on the work-place and guaranty in the case of disablement, and labour welfare laws are just a dream. The following are the major laws prevailing in India since the 1920s.

a) The Workmen's Compensation Act, 1923, which came into force under the colonial regime. Under this Act a minimum amount of compensation was payable in the case of injury or accident. Only Rs. 10 to Rs. 30 per month are provided for temporary disablement.[2] Even at a very low income level a single person cannot maintain himself at this amount. In the case of permanent disablement or death a compensation of Rs. 700, to Rs. 6300, is paid in a lump sum.[3] But in most cases even this minimum amount is not paid because of unnoticed and unreported accidents.

b) The Coal Mines Labour Welfare Fund Act, 1947. A fund was established by the Indian government in view of the need for starting organized welfare work for the mine workers to provide housing, medical and other facilities. For Iron Ore Mines a similar fund was set up in 1961 to provide social benefit to workers.[4]

c) The Employees State Insurance Act, 1948. This legislation is the first of its kind, was enacted in 1948 and later amended in 1951. It is provided under this Act to protect workers against sickness, maternity, injury and disability during employment. At present it is not extended to all permanent factories, rather to a limited section. The State Insurance Corpora-

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1. Giri, V.V., Labour Problems in Indian Industry, op.cit., see pp. 135-136.
2. Vaid, K.N., State and Labour in India, op.cit., p. 116.
3. Ibid., p. 117.
4. Bhagoliwal, T.N., Economics of Labour and Social Welfare, op.cit., see ch. 19, Labour Legislation in India, pp. 304-05.

tion is responsible for administration and the workers are divided into eight categories. It covers factories employing 20 or more workers, and employees earning not more than Rs. 400.[1)]

d) Employees Provident Fund Act, 1952. This is another measure to provide certain limited facilities for the future of the wage-earners. "It applies in the first instance to factories employing 20 or more persons and which have completed 3 years of their existence." An amendment was made in 1958 to remove the difference between the government employees and the private employees. The Fund is a contribution on equal basis of employees and employers,which has been fixed 6 and 1/4 per cent of the monthly wages to 8 per cent.[2)] Full amount is payable only after 15 years of service. Because of administrative and functioning bottlenecks workers tend to regard it more as a burden and less as an investment.

The Indian Codes. In addition, there are three 'Codes' approved by the Indian Labour Conference in 1958 after mutual agreement between government, employers and workers representatives. These are as following:

i) Code of Discipline in Industry, which provided voluntary basic rights and restrictions among the parties to maintain discipline in industry; ii) Inter-Union Code of Conduct, which provided unanimously to regulate inter-union relations; iii) Code of Efficiency and Welfare, which provided to improve production and productivity.[3)]

A close analysis of all these Codes explains that these are more or less nothing new and do not go beyond what has already been provided in labour legislations. But the only unusual thing is that these Codes are mutually accepted by all parties. They are purely voluntary in nature, have no legislative force behind them. Their validity and status in industrial relations structure in India is still far from any significant influence.

To sum it up, in spite of numerous labour laws, most of them because of their limitation in scope hardly have brought any change. Many of these laws are contended to be half-baked and hastily devised. More amendments are made just to amend the amendments.

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1. Vaid. K.N., State and Labour in India, op.cit., see p. 118.
2. Ibid., see pp. 129-130.
3. Subramanian, K.N., Labour-Management Relations in India, op.cit., see pp. 314-320.

The principal machinery for ensuring effective compliance with the provisions of the labour laws are the respective inspectorates under the different Acts. It is argued that no earnest attempt has been made to reorganize and reinforce the inspectorates. Because of unqualified and untrained inspectors appointed under the Factory Act, labour laws are not implemented effectively.

Furthermore, even today a lack of proper national labour policy has been the reason for the uneffectiveness of labour legislation, which is mostly formulated for fulfilling international obligations. The prevailing labour laws and codes are only designed to supply a minimum standard of living and working to the working masses, whereas measures about social security and labour welfare is still a cry in India; due to the complexity and the contradictory nature of labour laws they have not become fairly established in the practice of most employers.

3.2.6. Economic and Social Conditions

3.2.6.1. Planning for Development

The structure of Indian economy as it stands today and the problems of increasing unemployment and poverty, low standard of living and very slow economic growth, have to a considerable extent been influenced by the events and happenings under colonialism. Among them the following policy measures, introduced by the British administration, like centralized administration, a new revenue system, opening up of the country for trade and commerce, and economic competition of British manufactures with India's industrial products seem to have contributed a little to make India capable of moving on to the stage of modern economic development.

For about a generation before independence, the masses had been nurtured in the belief that the poverty of India was the result of colonial economic policies only, and therefore, soon after gaining popular victory, the Congress Government had started an economic policy emphasizing industrial development, being confident that rapid industrial development could only lead to prosperity, while leaving agriculture to take care of itself. But unfortunately even after three decades of development the

dreams of prosperity are far from achievement. Rather the economic situation of the rural majority has deteriorated, all the productive resources have been transferred in favour of industrialization in limited urban centres.

The Congress Government was quite familiar with the concept of planning even before independence, while entertaining the view that development of economic life should be planned and controlled by the state.[1] A comprehensive planning which dominated the economy since 1951, has been the outcome of these ideas, which reflect the acceptance of the importance of planning, which has now become an integral part of Indian economic life and thought. Because of long overstanding economic and social problems India was forced to take a long look ahead, and to set up goals for 10 to 20 years. Consequently, state policy passed a resolution, while setting up the Planning Commission after the adoption of a republican constitution in the early 1950, the following three Directive Principles were adopted as the fundament for planning economic measures,

i) that the citizens have the right to adequate means of livelihood; ii) that the ownership and control of the material resources are so distributed as to subserve the common good in the best way; and iii) that the operation of the economic system does not result in the concentration of wealth and means of production to the common infirmity.[2]

Against this background the first objective of Indian planning is rapid economic growth,and the second, most important, to raise the living standard opening up to the people new opportunities for a richer and more varied life. As expressed under the Indian constitution, it has also been defined as 'Socialism' or a 'Socialist pattern of Society.'[3]

Since 1950, the Indian Planning Commission has drawn up five

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1. Das Nabagopal, The Indian Economy Under Planning (Calcutta, 1972), see p. 11.
2. Ibid., see p. 14.
3. Ibid., p. 17.

Five Year Plans with an interval of three years from 1966-69, the last plan commencing on April 1974. As for the strategy adopted during the planning process, it is clear that the First Plan did not specify any clear strategy, rather it was essentially a collection of several projects, and the priority of allocation was given mainly to transport, communication and social services. The Second Plan, which laid down the foundation under a long-term perspective, sought to begin the development process by accelerating the rate of growth in order to achieve the target of doubling the per capita income at the end of the Fourth Plan in 1973-74.[1] The allocation priority was generally given to machine-building and heavy industries.

The Third and Fourth Plans have reaffirmed their promises of achieving a 'good life' for every citizen as the ultimate goal of a socialist society, which the country has already accepted, and sought to implement a strategy which would assist:

i) to lay down foundations of self-reliant economic growth; ii) to provide avenues and opportunities for employment to all those who seek it; and iii) to ensure a minimum level of living to every family in the country, while narrowing economic and social disparities in the next two plans.[2]

An attempt may be made to analyze the relative successes and failures of the foregoing development policy pursued by the government during 1951-52 to 1973-74. In order to assess the effectiveness of the goals and methods used to overcome the economic and social problems of the poor millions, one must evaluate the planning achievement under the following criteria, e.g. how much was invested in agriculture to raise its contribution to the national output, how much importance was given to the manufacturing sector (capital and consumer industry), what place was given to the social sector, directly responsible for the improvement of the general standard of living; and, finally, the main question concerns the distribution of income to eradicate mass poverty. The following

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1. Government of India, Planning Commission: Fourth Five Year Plan, A Draft Outline (New Delhi, 1966), see p. 1.
2. Agarwal, A.N., Indian Economy, Nature, Problems and Progress, (Delhi, Bombay, etc., 1975), see pp. 507-508.

discussion will explain the present situation respecting the above goals and methods generally followed during the planning practice.

The Public Sector: An important feature of the Indian economic structure is the dominant role of the Public Sector, which since independence has brought more and more industrial undertakings under state ownership. It shows that the Indian planners are following a new path, whereby the lead has been taken by the capital good industries in the Public Sector, while leaving consumer good industries for the cooperative and the private sector in order to accelerate the development process. With the instrument of planning a large proportion of national resources has been channelized into this direction, with the argument that the ownership of large numbers of industries, and almost all key industries can give the government necessary authority to maneuver the economy toward development and effective control through the monetary and fiscal policy to make the economy run into the desired directions as in other socialist countries.

According to the annual survey, released in 1975, the public sector controlled more than half (53,4 per cent) of the total productive capital employed in large-scale organized industries in 1970. Its contribution to the national income (i.e. value added) is much less than that of the private sector, while the latter with only 41 per cent of the productive capital contributes about three-fourth to the national income.[1)]

The share has very rapidly increased during the planning period which in terms of Net National Product reached from 7,5 per cent to 14,7 between 1950-51 to 1970-71,[2)] whereas the private sector has been checked out during the same period in order to justify the aim of a 'social pattern of society'. In addition to aquiring a dominating position in economic activities, the public sector has created a large number of new employment positions which

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1. Agarwal, A.N., Indian Economy, Nature, Problems and Progress, op.cit., p. 421.
2. Rao, V.K.R.V., Papers on National Income and Allied Topics, (ed.), (Bombay, Asia Publishing House, 1962), see pp. 6-12.

reached 10,7 mio from 5,2 mio during 1956 and 1971, taking over the dual role as employer and as management authority.[1)]

Industry vs. Agriculture: It is obvious from the data that India remains primarily an agricultural economy; agriculture employed nearly 72 per cent of India's population in 1971, against 71 per cent in 1931. It indicates that very little change has occurred over the past 40 years. Yet since 1951, when the planning had been initiated, a remarkable development in the industrial sector was achieved, especially in basic and capital goods industries.

At the time of independence, the industrial sector was very small as compared to agriculture, which according to some controversial estimates contributed only 16,7 per cent to the Net National output against agriculture's share of about 48,9 per cent. In terms of employment, the manufacturing industries employed only about 9 per cent against agriculture, which employed about 71 per cent in 1951.[2)]

Since then economic policy has centered on industrial development and more concentration has been placed on capital goods industries during the whole planning period under review (1951-52 to 1973-74). The General Index of Industrial production (Base 1951 = 100) rose to 181,2 in 1961 and in the next decade, using 1960 as base year, rose to 186,1 in 1971, which further rose to 203,5 at the end of the Fourth Plan period. This indicates the fact that the industrial production has increased more than 8 per cent per year in the first development decade (1951-61) and more than 8,6 per cent per year over the second decade, i.e. 1961-71. If taking the period 1961-74, it shows that the production has been doubled.[3)]

Agriculture has been mostly neglected during the whole development decades, and ceased to develop according to the increasing demand for food crops. In order to meet the food supply the hard

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1. Agarwal, A.N., Indian Economy, Nature, Problems and Progress, op.cit., p. 418.
2. Ibid.
3. Ibid., p. 419.

earned foreign exchange has been frequently used to import foodgrains from abroad. The general index of agricultural production shows an increase, using 1949-51 as base year, about 37 per cent during the first decade (1951-61), and only 27,6 per cent during 1961-62 to 1971-72.[1] This indicates that the average growth rate of agricultural production has decreased from 3,7 per cent in 1951-61 to 2,6 per cent in 1961-62 to 1971-72. Moreover, this little achievement is mostly due to the extension of area under cultivation and not to the rise in productivity. A reference may be made here about the institutional framework, which still remains unintegrated with modern agricultural techniques. Furthermore there is concentration of cultivable land under few hands; and the so-called land reform and cooperative farming campaign, which affected very little, and the government's investment priority in the industrial sector are the major causes of the very slow progress in agriculture.

3.2.6.2. Economic Growth

The available information provides significant evidence that the rate of economic growth, measured in terms of national income and per capita, between 1900-01 to 1946-47 had more or less stagnated. Many reasons are given to explain the stagnation of the economy, such as low level of techniques, anti-growth religious and social attitude and institutions, population pressure and anti-growth colonial policies of the British regime.

Taking 1948-49 as a base year, the data on national income shows a rising trend, which rose between 1948-49 and 1960-61 at current prices by 5,3 per cent per year, whereas the growth rate prepared at constant prices shows a rise of less than 4 per cent per year during the same period, and during 1960-61 to 1973-74 rose at about 3,8 per cent per year.[2] The slow growth rate of

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1. Government of India, Economic Survey 1967-68, pp. A-8, and see also Economic Survey, 1974-75, p. 61.
2. Agarwal, A.N., Indian Economy, Nature, Problems and Progress, op.cit., pp. 63-65.

the Indian economy is symbolized by the downward trend of the per capita income; despite very contradictory statistics, various estimates made for different years substantiate the point. According to K. Mukerji, the per capita income during 1900-01 to 1946-47 shows an upward trend, but this rising trend has been identified with overestimation and is just a matter of statistical calculation in later studies.[1] The official statistics have shown that there was a large number of irregular and small changes in the per capita income, and certain years have shown an actual fall in per capita when we consider it in the context of rapid population growth, while the rate of growth in income remains more or less constant during the same period.

Two estimates have been made on currentprices and on constant prices to measure the per capita growth rate in 1948-49 to 1960-61, and 1960-61 to 1973-74, which shows only 1,5 per cent and 0,9 per cent (at constant prices) per year respectively,[2] which symbolizes the low level of development, and that is in fact so low for the vast majority of people, that it presents India not only as an underdeveloped economy, but rather as a totally undeveloped economy.

3.2.6.3. Unemployment und Underemployment

Until now India unfortunately has not been able to utilize its surplus manpower, and the planning strategy which was not employment-oriented in the past has created a most formidable problem of employment and underemployment. Exact statistics are lacking, but estimation on the basis of information prepared by the Planning Commission and releasing data on i) backlog of unemployment; ii) new entrants to the labour force; and finally, iii) employment created under the plans; provide evidence that there are about 13 to 14 mio people unemployed at the end of the fourth plan period in 1974.[3] Moreover, it does not represent the large number of unemployed, who apparently are engaged in

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1. Mukerji, K., A Note on the Long Term Growth of National Income in India 1900-01 to 1952-53, in: V.K.R.V. Rao, Papers on National Income and Allied Topics, op.cit., pp. 15-24.
2. Agarwal, A.N., Indian Economy, Nature, Problems and Progress, op.cit., p. 68.
3. Ibid., p. 148.

agriculture, but they do not have enough work to keep them busy throughout the day or the year.

A close analysis of the economy during the plan period shows that there was an increase at the end of every plan period such as: after the First Plan the unemployed left were over 5,3 mio, in the Second the number reached 7,1 mio. At the end of the Third and Fourth Plans respectively, this figure reached 9,6 mio and 14 mio.[1] As for the situation of underemployment in rural areas, according to the National Sample Survey, there were about 22,19 per cent of the total rural employed working for less than a full week, and about 10,24 per cent of the working force were working between one day and four days during a week, which represents a huge wastage of human capacity.[2]

There are many reasons for this vast unemployment, but the most urgent among them are those caused by unfavourable policies and strategies of the planners, who, to solve the problem, did not distribute investment properly among different sectors; neither have they affirmed to achieve maximum employment in the first three Plan, nor has any importance been given to policies devising an appropriate real wage rate policy as an instrument for the expansion of employment, or promotion of labour-intensive techniques.

3.2.6.4. Mass Poverty and Income Distribution

Practically all Plan documents have stressed the need for raising the standard of living of the working population, and emphasis has also been placed on the equitable distribution of income and wealth, but the performance of the planning has been largely a failure in this respect, and the position of the working poor has gone from bad to worse.

Several studies to measure the extent and magnitude of poverty and the standard of "poverty line", measured in terms of

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1. Agarwal, A.N., Indian Economy, Nature, Problems and Progress, op.cit., see pp. 148-149.
2. Ibid.

a minimum level of consumption of Rs. 240 p.a. at 1960-61 prices and Rs. 487 at 1972-73 price level, shows that there were about 215 mio people (41 per cent of the total population) subsisting below the poverty line. Another study in this regard puts the figure as high as 232 mio.[1] And it is more frequently reported that in recent years there has been an increasing trend in the number of poor people. According to Dandekar and Rath, a substantial part of the poor people lives in rural areas, making about 40 per cent of the population living under absolute poverty; whereas, according to Minhas, 50 per cent of the rural population is living in extreme poverty.[2]

It is obvious from above-mentioned facts, that about half of the Indian population is living in extreme poverty measured in terms of lowest per capita income and the minimum consumption standard, mainly because of the inequality of income and wealth on the one hand and due to the policies of the Indian planners on the other hand, which caused a concentration of economic power in few hands in the agriculture as well as in the non-agricultural sectors. The National Sample Survey reported that the bottom 40 per cent of rural households held only 1,25 per cent of the total cultivated land, whereas the top six per cent of rural households owned or had occupancy rights over 40 per cent of the total cultivated area in 1954-55. Since then little has been done to remove the unequal ownership of land despite the Land Ceilings Acts.[3] Only the manufacturing sector provides a more increasing trend in the concentration of economic power.

The available statistics about personal income distribution provide significant evidence of a vast income inequality. For example, according to an estimate made by Lydall, the top ten per cent of the population take away as much as 34 per cent of

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1. Agarwal, A.N., Indian Economy, Nature, Problems, and Progress, op.cit., pp. 90-91.
2. Ibid. And also see Poverty in India, V.M. Dandekar and N. Rath, (Bombay, 1975), p. 10.
3. Agarwal, A.N., op.cit., see p. 34.

the national income and at the bottom 25 per cent of the population get only 9,6 per cent of the national income.[1] According to the estimate prepared by the Reserve Bank of India, the top 10 per cent in cities get about 37 per cent of the total national income and in villages about 25 per cent. The bottom 20 per cent of the population get only 7 per cent in the cities and about 9 per cent in the villages.[2] The other estimates too present similar pictures of inequalities. For example, the conclusions worked out by the National Council of Applied Economic Research for the year 1964-65, show that the share of the bottom 20 per cent of households was 13 per cent, and for the top 20 per cent of the households it was 35 per cent.[3]

A similar trend continues to exist after 1973-74, because of the fact that no new redistributive measures are undertaken until now, and it is beyond doubt that the past planning strategy and pattern of development has much to do with the existence of wide-spread unequal distribution of income and mass poverty.

3.2.7. Trade Union Activities

3.2.7.1. Political Involvement

Trade unions are more active and involved directly in politics rather than working for the betterment of their members in order to improve the working and living conditions through their economic and social activities. The birth of India's trade unionism is mostly affected by the political forces under the colonial regime, which engaged in a continuous struggle for independence since the early 19th century.

Industrial unrest started soon after World War I, when the promised 'self-government' rights were not sanctioned, leading to a country-wide protest and agitation. During this period B.P. Wadia[4], a radical political worker, organized the textile workers and formed the 'Madras Labour Union' in 1918.

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1. Agarwal, A.N., Indian Economy, Nature, Problems and Progress, op.cit., p. 77.
2. Ibid., p. 78.
3. Ibid., p. 77.
4. Pattabhi, R.N., Political Involvement of India's Trade Unions (London: Asia Publishing House, 1967), see p.2.

The membership increased rapidly because of newly-awakened national enthusiasm and consciousness among the workers. Furthermore, measures of suppression used by the colonial government and "the inhuman firing of an unarmed mass in the Jallianwallah Bagh"[1] increased the unrest and protest against the foreign rule. M.K. Gandhi, a prominent leader who led the movement for national liberation, also actively organized the 'Ahmadabad Textile Labour Association' which was indirectly a product of political strikes and events in 1920.[2] The Congress leaders as well as other nationalists were very active among labourers and wanted to organize them for the purpose of national independence which resulted in the formation of a large number of trade unions in the early 20s. The formation of the All India Trade Union Congress was also motivated by the Congressmen to win political influence at the International Labour Conference.[3]

The 'Non-Cooperation Movement' of Mahatma Gandhi started a new wave of agitation among the masses, which gave a push to radical communist leaders to organize trade unions with a view to using them as a force for the establishment of a socialist state in India. The influence of the communists rapidly increased among the working class in India when M.N. Roy, an associate of Lenin, devoted his attention to organize the Indian masses through his publications from Russia.[4] Among many other leaders who entered the trade union movement with the same interest were S.A. Dange in Bombay and Muzaffar Ahmed in Calcutta.

In 1924 there was a general strike led by the communist unions in Bombay which caused prosecution, conviction and imprisonment of all prominent leaders. But indirectly the strike created more ill-feeling against the colonial rule among the

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1. Karnik, V.B., Indian Trade Unions - A Survey, op.cit., see pp. 26-27.
2. Ibid.
3. Crouch, H., Trade Unions and Politics in India, op.cit., see pp. 60-61.
4. M.N. Roy, an Indian revolutionary, who was active in the Communist International, later disagreed with Lenin and struck out his own path. In later years he was generally known as a radical humanist, expelled from the 'Comintern' in 1930. For detail see Crouch, H., ibid., pp. 62-65.

working class and the communists gained more support and influence in trade unions. By 1928, they became so influential that they captured not only the cotton mill workers union, Great Indian Peninsular Railwaymen's Union in Bombay, but they also succeeded to organize labour in other industrial towns like Delhi, Calcutta and Allahabad.[1)]

Indian communists received substantial support from the 'Communist International' and many other countries, which sent a number of communist agents in order to organize left-wing trade union movement. The Indian Communist Party was given advise by the Communist International from time to time, like e.g. "the Indian Communist Party must bring the trade union movement under its influence. It must reorganize it on a class basis and purge it of all alien elements."[2)] Few of the most prominent communists who came to India from 1925 to the early 1930 were Percy E. Glading, alias R. Cochrane, George Allison, alias Donald Campbell and Philip Spratt. They were joined by others like S. Saklatvala, an Indian British M.P., along with J.W. Johnstone and J. Ryan, American and Australian communists, who guided and gave financial help for developing communist activities in the trade union field.[3)] This helped them to take over the AITUC in 1929. In general it was the policy of the Communist Party of India that the trade unions should become regularly functioning mass organizations, working in the spirit of class struggle, and all efforts should be made to expel and isolate all non-revolutionary forces from the trade union movement.

Because of the communist domination on the AITUC leadership they passed a resolution to affiliate the AITUC with the 'League Against Imperialism' and the 'Pan-Pacific Trade Union Secretariat', the international communist organizations and denounced its association with ILO and Asian Labour Conference,

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1. Pattabhi, R.N., Political Involvement of India's Trade Unions, op.cit., see pp. 3-4.
2. Karnik, V.B., Indian Trade Unions, op.cit., p. 53.
3. Masani. M.R., The Communist Party of India, (New York: The Macmillan Company, 1954), see pp. 25-28.

which led to a split of the trade union centre. A group of 'Moderates' led by N.M. Joshi left the AITUC and formed a new centre called 'Indian Trade Union Federation'.[1] A second split came only two years after when a dispute arose between nationalists and communists on the matter of policy and tactics for the independence movement. The communists left the AITUC and formed a new 'Red Trade Union Congress' in 1931,[2] which on the whole has weakened and disrupted the trade union movement.

Despite the lack of unity among the three different political groups, nationalists, communists and moderates on trade union policies, there was a number of strikes during 1929-1934, simply because of the political interest of the different groups which consequently led to political unionism rather than a real labour organization.

The Congressmen moved in to build trade unions on Gandhian lines in order to break the monopoly of the left wing labour union and in 1937 they set up 'Hindusthan Mazdoor Sevak Sangh'[3] with an object to support the Congress politics and to extend the 'Ahmedabad' experience all over the country. In a very short period this union gained a mass majority because of the Congress support, which later led to the formation of the Indian National Trade Union Congress.

During the Second World War, again a controversy arose among the political parties, after a short unity on the matter of supporting the war efforts, a controversy which dominated the trade union movement.

The Congress Party was not in favour of supporting the war efforts; contrary to that, the communists organized mass strikes all over the country which caused a 7,6 mio man-days loss in 1940, an increase of 2,7 mio since 1939.[4] At the same time a new trade union centre, the 'Indian Federation of Labour' was formed to mobilize the labour force for participation in the industrial programme to support the war efforts.

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1. Crouch, H., Trade Unions and Politics in India, op.cit., see pp. 64-65.
2. Ibid., see p. 66.
3. Ibid., see pp. 80-81.
4. Agarwal, R.D., Dynamics of Labour Relations in India, ed. (New Delhi, Tata McGraw-Hill Publishing Company Ltd., 1974), p. 61.

When the Congress Party launched the "Quit India" movement against the British regime in 1942, all trade unions under its influence organized a nation-wide demonstration, but the communist unions refused to participate on the ground that it would be a war against the people of Russia which also had been invaded by Germany.[1] All these facts make it clear that the trade unions were mostly organized with the consideration to get a political upper hand in the different political forces struggling for political independence with a quite separate programme. They were little concerned about the well-being of the working people.

The involvement of the political parties and groups in organizing trade unions became most obvious after independence when the Congress Party set up its own trade union INTUC; while denouncing the left-wing organization, a Congress leader, G.L. Nanda, said that "the AITUC's violent opposition, under the leadership of the communists, ... ran 'directly counter to the declared policy of the (Indian National) Congress' and that it was therefore necessary to establish a new central trade union organization that would preserve 'a national spirit and outlook' while discharging its responsibilities to the workers."[2] This move encouraged the other political parties to establish a foothold in the trade union movement. In 1948 the HMS was formed under the guidance and leadership of the Socialist Party, and in 1949 the UTUC was organized by a few dissident socialists in order to satisfy their political needs rather than their members' needs and welfare.[3]

The INTUC became a very popular and dominating trade union centre since independence and since then has maintained close ties with the ruling 'Indian National Congress', whereas the other three trade union centres which have been in alliance with the opposition parties started a political competition on the matter of trade union policies which led to rivalry, division and disunity regarding national economic policies and the demands of the workers.

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1. Agarwal, R.D., Dynamics of Labour Relations in India, op. cit., p. 61.
2. Pattabhi, R.N., Political Involvement of India's Trade Unions, op.cit., p. 35.
3. Agarwal, R.D., op.cit., see pp. 62-63.

A victory in both general elections of 1952 and 1957, with the close cooperation and support of the INTUC to the Congress Party has brought the direct representation of the INTUC on various bodies of the Congress Party which strengthens the relations between the organizations.[1] It has been claimed by other trade union centres that because of the domination of the Congress-led trade unions their policy of suppression and ban against many other rival trade unions has discouraged a healthy trade union movement, which would have given rise to international conflicts many times.

In 1958 the unions affiliated to the HMS organized a strike and a countrywide Demands Day on March 27, all except the INTUC did cooperate to support the workers' cause.[2] In spite of many efforts for unity they ended as a failure because of different political interests, which shows a high degree of politicisation among trade unions in the country. Moreover, after the Indo-China conflict in 1962, a state of emergency was declared, which was later given a statutory form. During this period many trade union communist leaders who had Peking orientation were arrested, because of their non-cooperation with the government labour and industrial programme.[3]

In general the strong relations between trade unions and political parties have occasionally caused a corresponding split in the labour movement. A split in the Praja Socialist Party led to the formation of a new trade union centre, 'Hind Mazdoor Panchayat' and a split in the Communist Party because of Moscow and Peking. The Communist Party of India (Marxist), formed its own CITU (Centre of Indian Trade Unions).[4]

In his study E.A. Ramaswamy argued that the political commitment of trade union workers along with the rank-and-file is quite high because of a close link between poliical parties

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1. Karnik, V.B., Indian Trade Unions, op.cit., see pp. 184-85.
2. Ibid., see p. 188.
3. Ibid., see p. 277 and 283.
4. Agarwal, R.D., Dynamics of Labour Relations in India, op. cit., see p. 63.

and trade unions dominated by partisan leadership. Workers are deeply involved in the election campaigns of their leaders, from fund raising to soliciting votes. He stated that "in the 1967 and 1971 elections more than a hundred TWU members absented from work for a week before the poll to personally contact voters over whom they had influence."[1] Furthermore, it is argued that all the district and general councils of trade unions are mostly dominated by the politically committed workers, for example "30 of the 45 members of the District Council of the Coimbatore District Mill Workers Union affiliated to AITUC were members of the Communist Party of India. Of the 82 members of the General Council of the National Textile Workers Union affiliated to the INTUC, all but one were members of the Congress Party. All 21 members of the General council of the DMK controlled 'Dravida Panchalai Thozhilalar Munnetra Sangam' were members of the DMK; it is equally significant that none of these bodies accommodated a member from a rival political party."[2] This shows the existence of clear and deep relations between political parties and trade unions.

On another occasion the 'National Federation of Indian Railwaymen' did not cooperate in the strike action on May 8 1974, when the All India Railwaymen's Federation went on strike, which lasted 20 days and resulted in a suspension of some 9,000 railway employees, and arrest of several thousand railwaymen; and claimed that the strike was politically motivated.[3]

From the above analysis it is very obvious that trade unions in India since their origin are very active and involved in politics. Their growth and development is a product of political parties, which dominated its policies, and provided an ideological background and leadership in order to use trade union platform for political propaganda and to strengthen their position in national politics and it is clearly to be seen that they have undermined the real socio-economic interests of the working masses.

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1. Ramaswamy, E.A., Politics and Organized Labour in India, in: Asian Survey, Vol. XIII. No. 10. Oct. 1973, Univ. of California, Berkeley, 1973, p. 921.
2. Ibid., p. 916.
3. Asian Labour, ICFTU, Asian Regional Organization-Journal, New Delhi, Vol. XXII. No. 108. June, 1974. pp. 38-39.

3.2.7.2. Wage Policy of the Unions

Workers' earnings have been increasing since the early 1951 at an average annual rate of 3,7 per cent, as is clear from the table given below. This shows that the industrial workers in India enjoy a privileged position as compared to the other working population, a fact which reflects the higher productivity of labour in industry as compared to other branches of the economy and the pressure of the organized trade union movement to steadily gain higher money wages for their members.

Despite an increase in average earnings, it is remarkable that the majority of the workers is not getting its due share from the fruits of economic progress; against the impression that one gets from the above statistics, only a small proportion of the privileged workers with higher skill and seniority basis. In contrast to that the inter-industry wage structure shows very considerable differences. There is no data on the composition of wage structure in different industries. The cost of living index and the consumer price index numbers, which have become an important adjunct of Indian wage policy, are many in numbers and significantly different from place to place.

It is obvious from the table below that the changes in real wages are not moving steadily, rather erratically, and it shows that the real wage index in 1964 had fallen to the lowest level just like in 1951, because of the rising trend in consumer prices during the course of the second and third development plans mostly financed by deficit measures and preventing the real wages from moving upwards.

It is important to note that the Indian trade unions have been very active against the unsystematized wage structure used by the employers in different industries, repeatedly demanding that wage rates should be standardized and compelling the government to force the management to accept a scheme for standardization. There were two main reasons causing the unions to demand a standardized wage policy; firstly because the "workers are very sensitive to differences in wages which to their mind seem unjustifiable", and secondly because "this is the fear of rival unionism seeking to excite the disgruntled worker suffering from a sense of injustice over his wage rate

Table:[1] Trends in earning in manufacturing, and Index number of earning of factory workers, real wages (1951-64)

(Base year 1951 = 100)

Year	Average annual earning (Rs).	Index No. of earnings	Index no. Real wages
1952	1,112	107,1	109,2
1953	1,111	107,7	106,6
1954	1,111	107,7	112,2
1955	1,173	113,1	123,7
1956	1,187	115,4	115,4
1957	1,234	120,8	114,3
1958	1,251	122,3	107,5
1959	1,310	126,4	105,6
1960	1,375	134,4	110,2
1961	1,408	138,6	115,5
1962	1,465	144,0	116,3
1963	1,479	145,2	113,8
1964	1,528	148,7	102,0

Table:[2] Index number of earnings, consumer price and real earnings (1961 to 1970)

(Base year 1961 = 100)

Year	Average annual earning (Rs.)	General Index of earning	All India Working class Consumer Price Index	Index of Real Earning
1961	1,540	100	100	100
1962	1,609	106	103	103
1963	1,661	109	106	103
1964	1,745	114	121	94
1965	1,955	128	132	97
1966	2,112	139	146	95
1967	2,271	151	166	91
1968	2,449	160	171	94
1969	2,591	171	169	101
1970	2,729	180	178	101

against his union leaders, or to undermine his loyalty to his union."[3]

1. Johri, C.K., Unionism in a Developing Economy (London 1967), p. 79, and also Indian Labour Statistics, 1966 (Delhi), Manager of Publications. Annual Publication, p. 198.
2. Statistical Abstract India, 1972, Central Statistical Organization, Dept. of Statistics, Govmt of India (New Delhi 1973), New Series, No. 19, pp. 374-75, and India, A Reference Annual 1974, Govmt of India, Ministry of Information (Delhi, 1974), p. 311.
3. Fonseca, S.J., Wage Determination and Organized Labour in India (London, Oxford Univ. Press, 1964), p. 117.

Thus, soon after independence the unions' stress on wage policy was motivated by the desire to secure an equitable wage rate for each occupation and the desire to abolish inter-firm and inter-industry differences, which forced the government to response through Industrial Tribunals, which drew up their awards to raise the wages of the lowest paid workers.[1)]

Beyond doubt the trade unions in India have played a considerable role in raising money wages, even faster during the second development decade (1961-70) than during the first decade (1951-60), partly because of the higher degree of unionization and partly due to the defensive battle against rising prices. There has been government pressure too, and the well established concerns in the private sector generally accept collective bargaining, all of which has aided wage rise. But as the principal concern of the working people is not the higher money income but rather higher real earning, it is more relevant to see the contribution of trade unions from this point of view. It becomes obvious from the data collected by the Central Statistical Organization for the Ministry of Planning as presented in the table given below, that the real earning of the working people has remained stagnant over the whole decade for which the data is available, and the index of the real earning except for the years 1962-63 and 1969-70, shows even a decreasing trend from the previous real wage level.

From the investigations and information available about the general working condition and standard of living of the working majority it seems more likely that trade unions have not been successful to eradicate inequality of incomes among employees in different sectors by raising the level of real wages. Rather the unions have accentuated the income inequality between the unionized and the non-unionized workers on the one hand, and between the industrial wage-earner and agricultural wage-earner on the other.

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1. Fonseca, S.J., Wage Determination and Organized Labour in India, op.cit., see pp. 118-119.

Wages have traditionally been at the lowest level in the agricultural sector, and a wide gap exists between the levels of income and the standards of living of the two sectors. Because of the lack of data on the compositions of earning in the agricultural sector, an idea could be had by comparing the annual average income computed on the basis of the household with the annual average earnings of the industrial wage earners, which shows that the average annual earnings of the industrial workers on an all-India basis have been over Rs. 1,000 ever since 1951, and reached 2,729 over the period of two decades in 1970, whereas the average annual income of the agricultural wage-earning family in 1949-50 was found to be Rs. 447, falling down to Rs. 437 in 1956-57.[1)]

As reported by the First and Second Agricultural Enquiry the wage level has further decreased. The earning in agriculture increased from Rs. 437 in 1956-57 to only Rs. 660 in 1963-64 as compared with the industrial earning which reached 1,703 Rs. in 1963-64 from Rs. 1,210, representing a gap of nearly two times between both incomes.[2)]

It appears evident from the recent statistical data that the gap between both groups has been widening steadily, and it has become as wide as three times, which has worsened the level of living of the rural poverty-stricken people as compared to the situation of their counterpart in the industrial sector in urban areas.

3.2.7.3. Social-Welfare Activities

Beside the government's and employers' inadequate social and welfare facilities that are laid down by law, trade unions seemed less active in workers' welfare, because of low finance and lack of understanding of the importance of welfare work,

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1. Agarwal, A.N., Indian Economy, Nature, Problems and Progress, op.cit., see p. 361.
2. Ibid., p. 362.

which otherwise could lead to improved and greater productivity and well-being of the workers.

In contrast to 'developed' countries where workers organizations are most active for the development of the community and workers' welfare, it has been considered the sole responsibility of the state in developing countries to provide social and welfare benefits to the working class. Thus doing very little service to their members and society, trade unions in general concentrate only on organizing workers to get their due rights from the state with the help of strikes and agitation on every matter.

However, very few amenities have been provided by the trade unions to their members during the past three decades, for example in the case of some large scale and well organized industries like jute and tea, providing of recreational facilities consisting of reading rooms, libraries, cultural centres and training in crafts etc. by workers and employers jointly.

Ahmedabad Textile Labour Association is only one union, which has especially organized a number of social and welfare activities for the interests of their members. According to a study, there were some twentyfive cultural societies and social centres, two study homes, one girls'hostel, forty-six reading rooms and libraries, eight gymnasiums and seven womens' welfare centres sponsored by the trade union.[1)] Another important aspect of social facilities provided by workers' organizations are the credit facilities. Because of the big traditional family system and extremely low wage structure, the Indian workers are always under credit burdens in meeting even bare necessities. In order to provide credit facilities to workers there were one cooperative bank, ten credit societies and also twenty-eight housing and ten consumers societies in 1954.[2)] TLA of Ahmedabad and Tata Workers' Union are exceptional cases; in general the trade unions have done very little in this field to help their members to solve their problems.

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1. Myers, C.A., Industrial Relations in India, op.cit., see p. 153.
2. Ibid., p. 154.

In spite of the recognition of the importance of workers' education, trade unions are left behind in fulfilling their responsibilities in this field, which could have helped to increase the strength of solidarity among the working class.

AITUC first created a "N.M. Joshi Memorial school of Trade Unions" for the workers' education, and another Labour Training College at Indore on the Gandhian lines was established in 1958 by the INTUC. From time to time the Hind Muzdoor Sabha has conducted trade union courses in order to train workers and trade unionists,[1] but quantitatively and qualitatively the efforts were very limited considering the numbers and size of the country's labour force.

Because of the politicization of the trade unions in India it seems that the unions are neither capable of undertaking social work for the good of the workers, nor interested in motivating them for organizing for self-help-programmes in order to build a strong nation. There is a complete lack of centres for the workers to meet and undertake any cultural activities, to discuss their common problems and create any sort of study circles and social societies of common interest. Most trade unions are only interested in participating in elections and party propaganda, for which they spend the very scarce fund which could be used for such social and welfare activities which could help the most needy workers.

From time to time trade union centres and other organizations used to organize seminars for the information of the workers and their leaders on trade union matters like The Hind Mazdoor Sabha conducted a 10-day seminar in Feb.-March 1973, which was attended by 15 trade union workmen,[2] and a similar 2-day seminar was organized by INTUC in Nov. 1973, which was attended by top-level representatives of the unions on trade union matters and their concerns.[3]

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1. Sharma, G.K., Labour Movement in India, (Jullunder, Delhi, Ambala: University Publishers, 1963), see pp. 236-237.
2. Asian Labour, A Monthly Labour Review - ICFTU - Asian Regional Organization, Vol. XXI No. 98. May 1973, New Delhi see p. 12.
3. Ibid., Dec. 1973, Vol. XXI, No. 104, p. 17.

Beyond these limited activities, which are not even of access to the common worker, social and welfare activities are left for the state and employers, who also are not enthusiastic, without strikes and agitation, to do any favour to the workers.

3.2.7.3. India and ILO

The Indian Labour Movement has been closely associated with the international labour organization since its birth, which consequently led to a great influence of the ILO on the legislative and working situation in India. In spite of the ideological split within the AITUC membership into Moderates and Radicals during 1925-29, radicals were not able to force their decision to affiliate with the Red International of Trade Unions (Moscow). But soon after World War II both AITUC and IFL became affiliated to the World Federation of Trade Unions.[1)]

After the emergence of ICFTU the Indian Trade Union Movement saw a reallignment, and out of four trade union centres INTUC and HMS got themselves affiliated to ICFTU, while UTUC remained unaffiliated.[2)]

The International Labour Organization has provided a necessary assistance for the formation of the first central organization of workers in India soon after 1920. Apart from this, India became a permanent member of the Governing body, which implies India's accepting of the conventions and recommendations, though taking the real problems of the workers in mind, this appears to be a small achievement. The improvements in the Factory Acts in 1948 and 1954, however, and the establishment of the Employees' State Insurance Corporation surely are steps towards improvement.

ILO had provided significant services, especially after the

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1. Sharma, G.K., Labour Movement in India, op.cit., see pp. 201-202.
2. Ibid.

postwar period in India, in order to improve and overcome the economic and social problems of the working force through their experts and advisory committees from time to time. In this respect the first 'Asian Regional Conference', which was held in New Delhi in 1947, has played a prominent role to advise the regional authorities how to solve their problems in order to improve the material conditions of workers.[1)]

ICFTU along with ILO have given valuable encouragement and assistance for the establishment and development of a healthy trade unionism in developing countries by providing training and education facilities through seminars and courses organized from time to time to develop proper union leadership.

The Asian Trade Union College was set up by the ICFTU at Calcutta in 1952, which helps its member unions in India in conducting courses for workers and leaders on the matter of trade union activities.[2)] Since then this institute is active to implement its large scale educational programme. For example, 'a nine day course'[3)] for the trade union leadership development was organized in New Delhi in Oct. 1973 and 'an education-cum-training programme' was organized in a cooperative village at 'Uruli-Devachi' in Maharashtra in 1975, in which some 525 adults and children took part for 25 days. They were given training in house construction, brick-making, masonry, dairy maintenance, electric wiring, handicrafts etc.[4)]

A similar programme was launched by the ICFTU in 1970, in order to educate and organize the rural workers. In this respect the people of the village of Aurangabad have built their own homes and schools and were given information on animal husbandry and family planning.[5)] According to ILO an Asian Regional Seminar for Rural Workers Organization was held in New Delhi from Nov. 29 to Dec. 5 1976, to promote and assist the

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1. Giri, V.V., Labour Problems in Indian Industry, op.cit., see pp. 499-500.
2. Ibid., see pp. 450-451.
3. Asian Labour, op.cit., Vol: XXI No. 104, Dec. 1973, p. 16.
4. Ibid., Vol: XXII, No. 120, July 1975, p. 16.
5. Ibid., Vol: XXII, No. 114, Dec. 1974, p. 24.

rural organizations in participating in the economic and social machineries to raise their socio-economic living.[1)]

In contrast to this WFTU has also been active to help its associate AITUC in India since her emergence and provided financial support to publish the central organ of WFTU in Hindi language to propagate its political and economic objectives. It also supported the striking workers through contribution at various occasions in the name of international solidarity.

In spite of various projects and educational programmes sponsored by the ILO and ICFTU the national initiatives are very minor, partly because of the lack of real interest among the union leadership on socio-economic activities of trade unions and partly because of the suspicion against the initiators motivated by political interests and domination. Furthermore, India's Congress Government has failed to adopt the conventions and recommendations of ILO to provide a better condition for the growth and development of free trade unions in the country.

3.2.8. Summary

The trade union movement in the modern sense was started in India in the early 1920's by the nationalist movement for political emancipation of the country.

Although numerically relatively small, the industrial labour force in India today is growing in importance with industrialization and has been the special concern of leaders of the Indian National Congress Party and of the government.

The heritage of almost 200 years of British rule ending in 1947 has left behind a) a trained Indian elite, b) an educational system, c) an English legal system and d) a managing agency system of business entrepreneurship and management, which has a significant influence on Indian life and culture.

The overriding importance of economic development objectives, the concern for left wing and communist influence of labour unrest, and the shortcomings of managerial attitudes and policies toward utilization of labour have largely contributed to the government control of labour management relations.

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1. Asian Labour, op.cit., Vol: XXIV, No. 136, Dec. 1976.

Because of the importance of the public sector in Indian economy which has been growing since the early 1955, the role of the government as main employer has become even more apparent than it was in the past.

India seeks a 'socialist pattern of society', but this is not a dogmatic or doctrinaire programme and the private sector has an important role in the government-initiated economic development plans.

The post-war wave of strikes and the overriding goals of the Five Year Plans for the new government of India is to seek an 'Industrial Truce Resolution' and to implement this with compulsory adjudication, remaining the cornerstone of labour dispute settlement in India.

Political parties have played a prominent role in determining the operational strategy of trade unions. Political parties in their scramble for maximizing their influence on the organized mass of workers caused fragmentations in the union structure with the result that multiple unions were organized at all levels - plant, industry, regional and national. Multiple unionism has led to the quantitative growth of unionism.

Because of rival political ideologies which gave rise to political unionism in India, it seems that the original purpose for building a strong trade union has been lost sight of. The prevailing legal framework has made it possible for people with legal skills to act as if they were a union.

Obviously the attitudes of the union leaders in India have been shaped by the legal framework to such an extent that even the definition of what they are working for has been affected.

Rapid population growth is a central fact facing economic planners in India. More employment remains a basic objective to achieve for a nation which already is confronted with millions of unemployed and underemployed workable citizens whose plight challenges the stability of government.

The people of India, through their government, desires a rapid economic development in order to achieve more and equal employment opportunities and to attain a better standard of living without surrendering individual freedom. Their desire is to remain dedicated to economic progress by democratic means. The only danger possible is that the labour movement could become a 'labour front' as in totalitarian countries if the necessary measures are not taken to eradicate the increasing mass poverty and unemployment in the near future.

3.3. Nigeria

3.3.1. Strength of Trade Unions

3.3.1.1. Working Force

The pressure of new needs and the changing forces have shaken the ancient fundamentals of socio-economic life in Nigeria since her independence in 1960. Because of the specific economic and political conditions however, industrial development does not follow a speedy path to justify the national requirements; in spite of the fact that Nigeria unlike other African developing countries has sufficient manpower to utilize her natural resources.

According to the first comprehensive and generally accepted census which was gathered between July 1952 to June 1953, the total population figure was nearly 31 mio[1], whereas the census of 1963 showed a population figure about 55,6 mio, a rise of 67 per cent over a period of ten years which did not remove the doubts in counting the people for political manipulation.[2] According to the estimations of the United Nations the population figure has increased from 55 mio in 1970 to 62,9 mio in 1975.[3]

Because of the lack of reliable data the estimated figure of the working force in Nigeria is claimed about 28 mio out of which about 70 per cent are working in agriculture, 15 per cent are engaged in commerce, and only 6,4 per cent are employed in wage-employment, leaving the rest as self-employed.[4] Although a very small number of people are employed in the modern sector, which makes only 3,2 per cent of Nigeria's total population, a significant growth has taken place since 1939, when the first estimate of the wage-earning population was made. The data shows a progress over the last four decades from 182,000 in the pre-war year to 1,8 mio according to the latest

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1. A Report for the Year 1954, Nigeria (London: Her Majesty's Stationary Office, 1958), see p. 6.
2. R. Cohen has stated in his study on Labour and Politics in Nigeria 1945-71: "Each of the regions anxious to secure increased representation in the Federal Parliament, they inflated their population counts." (London, Ibadan: Heinemann Educational Books Ltd., 1974), see pp. 47-48.
3. European Year Book, Vol. II, 1976-77, see p. 1187.
4. Cohen, R., op.cit., see p. 50.

estimation.[1)]

According to the International Labour Studies the indices of wage earners and salaried employees, which were only 63,6 in 1968 (considering 1970 = 100) reached 131,3 in 1973,[2)] which indicates that the employment in the industrial sector has been nearly doubled over the period of five years. This shows a structural change in the traditional society moving toward a modern society but with a limited and slow speed.

Because of the statistical difficulties and lack of survey made on labour matters and occupational classification it is somewhat difficult to get a real picture, but an estimate could be possible concerning the situation of wage earning employment in the industrial sector from table-1, which provides an over-all picture about the importance of the industrial sector and its employment.

Table-1[3)]: Working Force employed by different industry groups (1961 and 1970)

Industry group	1961	1970 estimates
Mining and quarrying	27,347	55,000
Manufacturing	34,263	145,000
Construction	89,303	105,000
Electricity etc.	11,248	20,000
Commerce	37,551	55,000
Transport, storage and communications	42,737	50,000
Services	143,172	265,000
Total	385,621	695,000

It may be observed from these facts that the industrial sector in spite of a higher rate of economic growth[4)] does not provide sufficient jobs for new entrants into the working force, which caused a huge army of unemployed in the urban areas. According to an estimation about 2 mio were in search of jobs in 1970[5)], but the figures of enemployed are more than the estimation.

1. Cohen, R., Labour and Politics in Nigeria, op.cit., p. 50.
2. Year Book of Labour Statistics 1975, ILO, Geneva, p. 349.
3. Cohen, R., op.cit., p. 51.
4. Damachi, U.G., Seibel, H.D., ed. Social Change and Economic Development in Nigeria, (New York: Praeger Publishers 1973) see p. 81.
5. Ibid., p. 83.

3.3.1.2. Organized Labour Force

A small number of wage-earners is employed in the organized sector which hardly makes 6,4 per cent of the labour force, 1,8 mio. Because of the statistical limitations and lack of research in this field the only recent available data shows that about 655,215 workers are organized in 873 unions.[1)]

Organized labour in Nigeria is mostly concentrated in 8 urban centres, leaving the rest mostly unorganized in many other small industrial towns and villages. In 1965 it was claimed that most trade union membership came from transport, manufacturing, mining and quarrying, and community services, which counted about 70 per cent of the total organized labour force.[2] Since then, however, the proportions of organized labour in addition to the petro-chemical and construction industry are likely to have remained concentrated in the industries.

Furthermore, it should be noted that a large number of workers are employed as part-time and/or seasonal basis. Many of them as well are employed in small firms employing less than ten workers. Because of their working environment most of them are not motivated to join trade unions.

The number of organized labour clarifies itself that the union multiplicity and unions' programme are not according to the needs of the workers. Since Nigeria became independent in 1960 it may be noted from table-2 that the number of organized workers has rapidly increased. This number reached 517,911 only in four years from 274,126, the outcome of twenty years struggle of the trade union movement under the colonial administration. From this development of the organized membership of the trade unions it is apparent that especially after independence the restriction on trade union activities and more suppressive labour laws were withdrawn, partly by the new popular national governments; partly the social and economic pressures which motivated the expectation of receiving more intermediate benefits after a long suffering under the colonial regime caused the workers to organize in trade unions.

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1. Cohen, R., Labour and Politics in Nigeria, op.cit., see p. 128.

Table-2[1]: Annual Registration of Unions and Members, 1940-71

Year	No. of Unions	No. of Members	Year	No. of Unions	No. of Members
1940	14	4,629	1956	270	198,265
1941	27	17,521	1957	298	235,742
1942	80	26,275	1958	318	254,097
1943	85	27,154	1959	347	259,072
1944	91	30,000	1960	360	274,126
1945	97	41,000	1961	402	281,124
1946	100	52,747	1962	435	324,203
1947	109	76,362	1963	502	352,790
1948	127	90,864	1964	551	517,911
1949	140	109,998	1965	615	519,000
1950	144	144,389	1966	631	520,164
1951	124	152,230	1967	674	530,000
1952	131	143,282	1968	696	540,000
1953	152	153,089	1969	721	550,000
1954	177	165,130	1970	809	600,000
1955	232	175,997	1971	873	655,215

A large increase in the number of registered trade unions and their membership could be seen after the successful strikes in 1964, which was launched in favour of wage improvements and implementation of the 'Morgan Commission' recommendations.[2] An overall increase in union membership, more than 165,000, was recorded as the highest in the Nigerian trade union history, has clearly shown that labour only feels impelled to join trade unions to reward his organization when it has taken a clear step to represent the interests of his members. A similar increase has also been noticed when a 'Wage Commission' was set up in the early 1970 (Adebo Commission)[3] and the prospect of a favourable improvement in wages was expected.

On the other side it may be clear from table-2 that during the period of 1942-45 and in the early 1950s when there was very low trade union activity and few strikes incidences a

1. Ministry of Labour, Annual Reports. J.I. Roper, Labour Problems in West Africa (Penguin, 1958), p. 107. Wogu Ananaba, The Trade Union Movement in Nigeria (London, 1969), p. 262. R. Cohen, Labour and Politics in Nigeria, op.cit., p. 129.
2. A Commission was appointed by the Nigerian Government after a strike which took place on Sept. 27, 1963, to investigate the existing wage structure and working condition and Mr. Justice Adeyinka Morgan. For some unexplained reason the report was not published, which led to a general strike in June 1964.
3. After the end of the civil war Nigerian government established a Commission to review wages and salaries under the chairmanship of Chief Adebo, in July 1970, which caused agitation by unions in the private sector.

very small increase in organized workers was achieved. Here it is important to note that most workers in Nigeria like any other developing country feel the importance to join their unions only when they call strikes or other protests against the wages and working conditions, because that is the only function which they know trade unions can perform, whereas if they feel that the union to which they belong did not take any action or arrange a strike after a particular period of time they prefer to withdraw their membership or used to join another organization.

From the year 1952 it is evident, when about 9,000 members were reduced from the trade union list and just before the civil war a very slow increase in union membership took place, partly because of the union internal rivalry and partly because of the political crisis which forced workers to keep away from their unions.

Another factor which undoubtedly has discouraged workers to organize in their trade unions is the old traditional character of the Nigerian Society in general. Most workers never had any experience of belonging to any organization except their own tribe or clan. Being illiterate most workers are still afraid of having any association with any organization.

Due to lack of transport and communication facilities between big industrial centres and the countryside workers mostly live in isolation far away from the towns and have very little opportunity to come in touch with their organizations. Furthermore, the tribal organizations, improvement and religious bodies which in most cases provide social facilities to their members are mostly preferred by the workers as compared to trade unions, partly because of the lack of trade union consciousness and partly because of the limited role played by the trade unions in the socio-economic experience of the individual workers. As T.M. Yesufu writes: "The workers' own tribal organization, or improvement union in the town provides benefits in desperate cases, financially assists those who want to get married, pays the burial expenses of a deceased parent, makes a present on the occasion of a new babe, honours the worker elevated to a chieftaincy, and repatriates the destitute. Some tribal organizations award scholarships to the young

educated worker or to the children of others."[1] Simply because of these possible additional explanations workers are probably more associated to their own tribal unions than trade unions, which cannot provide all these facilities because it has no financial resources.

3.3.1.3. Social Background of Industrial Labour

The Nigerian people are organized in five major and many minor tribes: Yoruba, Hausa, Bornu, Fulani and Ibo, chiefly distinguished from each other by language, religion and culture, and generally speaking having little tribal unity.[2] Nigeria predominantly is a country of peasant farmers working on land which is in many cases communally owned.

With the rapid growth of the Nigerian towns in recent decades, it is obvious that most of their residents have migrated from the rural areas in search of work, making a significant part of present day industrial labour force in the modern sector. It is important to note that their relationship and behaviour in town may still be patterned according to the traditional and tribal norms from which they belong. Many among the immigrants remain indifferent to their workers organizations and their activities partly because of their immediate stress of economic needs and close ties of their dependents and partly because of their illiteracy and ignorance. A detailed survey in the early 1950s reported that in Lagos city some 73 per cent of the population were Yoruba and 12 per cent Ibo; 37 percent were born in Lagos, 39 per cent in the Western Region, 11 per cent in the East and 8 per cent in the North.[3] Furthermore, in a few rural areas the density of population increased so rapidly that there was no other alternative than to leave the countryside and migrate to towns in search of an adequate living.

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1. Sklar, R.S., Nigerian Political Parties (Princeton: Princeton University Press, 1963), p. 496.
2. Report, Nigeria-report for the year 1954, (London, Her Majesty's Stationary Office, 1958), see pp. 6-8.
3. Lloyd, P.C., Africa in Social Change, (London, Penguin, 1967), p. 112.

There are three types of immigrants: the seasonal, the short-staying and the long-staying. The seasonal and short-staying migrants mostly come from areas where during the long dry season no work is available and the long-staying mostly come from the northern towns of Yoruba, lying beyond the forest, where people are far from poor.[1] In spite of modernizing the farms it had only a marginal impact to reduce the migrants who still compare the money wages which are relatively higher in the modern sector than in the traditional sector. The flood of job-seekers became more serious during the sixties and seventies.

Another factor against the establishment of a permanent labour force is the Nigerian society itself, which consists of different social groups which have little relevance to the modern unit of family, factory and state. The domination of the lineage group, clan or tribe and their chief, who provides a more permanent and authoritarian social and economic relationship,which becomes a hindrance in the process of development.[2] In the very near past the movement of the workers out of village was in some cases under the chief's supervision and was bound to the chief, who often sees the growth of trade unions as a challenge to his traditional authority. It is arguable that many among the immigrants as independent individuals rarely took an active part in their own trade unions because of this dependence and close association with the traditional organization.[3]

The stressing economic problems forced many young people to walk hundreds of miles to find work in the industrial towns for the sake of family worries. Once they found a job, they for a significant time tolerated extremely bad conditions of employment or even poor wages as a result of their family loyalty. They stay away from any trade union activity simply because of the fear of victimization and unemployment. It could

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1. Lloyd, P.C., Africa in Social Change, op.cit., see pp. 116-117.
2. Schwarz, W., Nigeria (London, Pall Mall Press, 1968), see p. 17.
3. Roper, J.I., Labour Problems in West Africa (London, Penguin), see pp. 23-24.

be argued that the social background of the industrial labour is itself a root of the problem that the workers remain outside trade unions.

3.3.2. Structure of the Trade Unions

3.3.2.1. Local Trade Unions

It is apparent from the literature that the growth of trade unions actually based on tribal unions with the objectives of the provision of social services for people in a particular area, irrespective of whether they were wage-earners in Nigeria. The wage-earner in Nigeria is still not fully conscious about his trade unions because of his recent introduction to industrialism and industrial conditions. This is one of the reasons why many small trade unions are purely local in character and operate within a tribal structure, which very often is confused with the craft unions since the early 1940s.[1)]

In 1940 there were fourteen registered local trade unions with a membership of 4,629. The number grew to 360 unions with a membership of 274,126 by the time of independence in 1960.[2)] The movement has developed even at a faster rate in the first decade of independent Nigeria, the union figure reached about 873 with a membership of 655,215. It would appear that about thirty per cent of the wage-earners in the establishment of ten or more are members of the unions according to the latest report of 1971.[3)]

While enterprise or 'house unions' is the predominant structure of the local trade unions, they tend to represent not a specific category of workers employed by a number of firms but the employees of each company, government department or public utility. Thus one finds the United Africa Company worker union; CMS Bookshop African Staff Union; UAC Singlet Factory Workers Union and the Ajikengbe Canoe Transport Pullars' Union.[4)]

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1. Davies, I., African Trade Unions (London, Penguin, 1966), see p. 72.
2. See table-2 on p. 190 in this study.
3. Ibid.
4. Roper, J.I., Labour Problems in West Africa, op.cit., see p. 70.

This tendency to develop small trade unions can also be seen in government employment, as Union of Post and Telegraph Workers; Nigeria Transport Staff Union; Nigerian Association of Local Government Employees and Railway and Ports Workers of Nigeria.

It is worth noting that a 'house union' need not necessarily be a small one, depending on the size of the establishment and on the workers attached to the unions.

The reasons for the growth of the trade union structure on the local, rather than on a country-wide basis, according to the words of T.M. Yesufu, is "a very big size of the country resulting in remoteness of many industrial establishments from the urban centre; communication and transport difficulties and trade union leadership. whose aim is entirely to build a personal little empire.[1)]

Another factor responsible for the development of local trade unions is the behaviour of the industrialists toward their workmen. In most cases they are not ready to deal with trade unions which extend beyond their individual establishment. This kind of attitude of the employer discourages the local unions to join other organizations for the sake of solidarity and strength of their own purpose.[2)] In addition, "Nigerian tribalism has often been blamed for the disintegration of a number of trade unions. In the word of the President of a trade union ... 'tribalism has for long threatened the solidarity of the union to the disadvantage of the workers,"[3)] particularly during the period of 1949 and 1954 when the tribal and regional feeling was very strong.

After the introduction of the 'Macpherson Constitution' in 1951, many new 'Regional Trade Unions' emerged on the scene, with a limited membership based on either a department or on a

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1. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria (London: Oxford University Press, 1965), see pp. 80-81.
2. Ibid.
3. Ibid., see p. 82.

section of a department of public employees of that region,[1] which effected the trade union movement very seriously and led toward the present structure and representative character of the unions.

The Nigerian breakaway movement also occurred because of the disgust attitude of the central and district organizations and some of the performance of their union officials. For example, on one occasion it was stated that delegates had come all the way from the North, East and West to attend the Annual Conference, apart from the fact that no arrangement was made for the conference and the Secretary who was the paid executive, was attending an executive meeting of a political party, which afterwards caused a disintegration of the union.[2]

3.3.2.2. Central Trade Union Organization

For the sake of co-ordination of different local and regional trade union organization representing their interests at the national and international level the first central organization, 'Trade Union Congress of Nigeria' (TUCN), was set up in 1943. Since then about 25 different trade union federations have been formed and at least 5 different unsuccessful attempts have been made to form a single Trade Union Centre in Nigeria.[3]

The major reasons for the lack of unity among the different trade union federations are: rivalry for leadership, different political interests; alignments with different political parties on the issue of affiliation with the international trade union federations.

In addition to many other combinations of unions such as central trades council, national trade groups of railway, port, oil, chemical and building workers and occasionally various regional groups, there are five trade union federations

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1. Ananaba, W., The Trade Union Movement in Nigeria (London: C. Hurst & Company, 1969), see p. 125.
2. Ibid., p. 126.
3. Cohen, R., Labour and Politics in Nigeria 1945-71, op.cit., see p. 110.

in Nigeria. These are the Nigerian Trade Union Congress (NTUC), United Labour Congress (ULC), the Labour Unity Front (LUF), the Nigerian Workers Council (NWC), and Nigerian Federation of Labour (NFL). These organizations are of our particular interest to this study for discussion of the role of the trade union movement in Nigeria.

The Nigerian Trade Union Congress[1)]

The formal recognition of the right to organize was acquired by the colonial government in 1939, and together with the economic pressures because of the war, the number of labour unions rose phenomenally from 27 in 1941 to 80 in 1942.[2)] A nation-wide agitation in 1942 for a cost of living allowance motivated and led to the formation of a central body for the co-ordination of labour activities.

In a mass gathering held in Nov. 1942, a central organization, the Federated Trades Union of Nigeria, was formed, which later in July 1943 became Nigerian Trades Union Congress,[3)] and received the full backing of the Nigerian politicians including Azikiwe, Ikoli, Macaulay, and Awolowo. Among other things NTUC in its constitution demanded the nationalization of all natural resources and public utilities; industrialization; unity of all Nigerian trade unions and establishment of a labour party,[4)] to establish a workers newspaper and a Nigerian Labour College; to deal with the general labour problems; and to protect the legal status and rights of trade union organizations.[5)]

NTUC has its followers mostly among miners; in local and government employees; by the clerical; transport; railway; building; public health; plantation and forestry workers unions. It claimed 209 affiliated unions in 1968; according to

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1. Some confusions about name exist in describing this body. Contemporary literature describes it variously like: Trade Union Congress; The Trade Union Congress of Nigeria; and Nigerian Trades Union Congress. I have used it in a simple term to refer it as to describe a Central Body existing in 1943.
2. See table-2, p. 190 in this study.
3. Coleman, J.S., Nigeria: Background to Nationalism (Berkeley, 1956), see p. 256.
4. Ibid., p. 257.
5. Ananaba, W., The Trade Union Movement in Nigeria, op.cit., see pp. 40-41.

another study its membership was recorded about 275,000 with 200 affiliated unions in 1965, whereas the official report put the membership about less than half as 120,000 in 98 registered unions in the same year.[1)]

However, the statistics about the membership and number of trade unions are misleading in some respects, and especially during the civil war of 1967-70 very few data are available.

The NTUC was formally affiliated with a Marxist party, the Socialist Workers and Farmers Party (SWAFP),[2)] which caused an ideological conflict among the leadership of the NTUC, and there was a direct result of the expulsion or self-exclusion of those who would not accept communism.

Prior to that, NTUC had many break-away experiences since its origin, like for example in 1949 on the issue of party-alignment, once again on the matter of ideological conflict and on the question of affiliation of international confederations in 1953, and finally in 1957, when a strong group led by Borha and Cole decided to join the ICFTU.[3)]

NTUC has played a significant role during the independence struggle and has enjoyed a strong influence among the working force before independence. It was basically dominated by a radical left-wing leadership and since its formation enjoyed close ties with WFTU and the All African Trade Union Federation.[4)]

The United Labour Congress

Between 1943 and 1960 the central trade union organizations made no positive contribution toward a unity among the trade union movement, on the contrary it hampered development by diverting attention from the basic task of building a sound trade union centre, and by virtue of repeated fissures at the national level which weakened the already fragile movement.

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1. Lynd, G.E., The Politics of African Trade Unionism (New York, 1968), see p. 128, also Cohen, R., Labour and Politics in Nigeria, op.cit., p. 111.
2. Nigeria's Soviet-approved Communist Party, organized by T. Otegbeye in 1963, which had been heavily subsidized by the Soviet Union. Ibid., see p. 129.
3. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria (London, Oxford University Press, 1962), pp. 45-46.
4. Tulatz, H.A., Die Gewerkschaftsentwicklung Nigerias, (Hannover 1963), see p. 64.

When the government set up a commission to review the wages and salaries, both strong rival trade union federations, All Nigeria Trade Union Federation (ANTUF)[1], led by left-wing leaders, Imoudu and G.C. Nzeribe, and the National Council of Trade Unions of Nigeria (NCTUN)[2] led by moderate Borha and Cole, merged with the friendly intervention of the Ministry of Labour in 1959 under the name of Trade Union Congress of Nigeria. This unity did not survive even a year and a quarrel about leadership and on the relation with international organizations caused a split when leaders of both sides made serious allegations of maladministration, fraud and misappropriation of funds against each other.[3]

Shortly after achieving independence in Oct. 1960, a Labour Reconciliation Committee was formed to settle the rift in order to form a united central federation. In May 1962 a United Labour Congress was established after a careful study of the peace formula of the Labour Reconciliation Committee. H. P. Adebola and L. Borha were elected president and general secretary respectively.

The United Labour Congress (ULC) remains a leading central federation since its formation and got governmental recognition in June 1962. ULC has been more successful in organizing the workers and trying to amalgamate unions in the same industry group since its formation. Its claim of membership rose from 200,000 in 1964 to 550,000 in Oct. 1965,while the number of affiliated unions increased from 123 to 240 in 1968.[4] Although there is a big discrepancy in the data available, still a significant progress has been achieved in the membership of the unions over the last decades. The United Labour Congress constitutes a majority of its members from the building and woodworkers, municipal and public utility workers, dock and

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1. Tulatz, H.A., Die Gewerkschaftsentwicklung Nigerias, op. cit., see p. 71.
2. Ibid., see p. 75.
3. A conflict arose between Imoudu, president of the Trade Union Congress of Nigeria and the Central Working Committee on the matter of inspection of financial dealings of the Deputy President, which led to split the TUCN intwo two rival centres similar to each other in order to make the workers believe that both were the same. TUCN was led by Adebola and Borha, while NTUC was led by Imoudu and Nzeribe. Both unions claimed 86,200 and 48,500 members respectively. See Cohen, R. op.cit., pp. 81-82.
4. Lynd, G.E. op.cit., p. 121 and Cohen, R., op.cit. p. 111.

transport workers, including some railway workers, several miners and oil and chemical workers.

The leadership of the ULC was mostly associated with the National Council of Nigerian Citizens (NCNC) political party. With few exceptions most of them were well qualified from western countries. In spite of its national character there still is a number of regional, political and organizational problems which dominated the whole society. Personal rivalries among the officials and members of the executive Committee, especially between President Adebola and General Secretary Borha, because of their different tribal, regional and party-faction allegiance have harmed the trade union function and a healthy trade union centre is lacking to represent the workers' interests.[1)]

Ideologically the United Labour Congress consists of labour leaders who had been committed to the principles of non-partisanship in politics and sought international support from the ICFTU.[2)] Their basic ideological differences could be identified from the left-wing radical NTUC by the statement of the President of the ULC, Mallam Kaltungo, that "the workers would make a mistake in trying to set up a dissident political party. This will be to the detriment of the workers' interests."[3)]

Nigerian Workers Council

In 1962 two new rival central federations came into existence. One in May, when the Imoudu and Ikoro group walked out from the Ibadan conference not agreeing with the decision to affiliate with ICFTU they formed the Independent United Labour Congress (IULC). And the second, in Dec., when N. Anunobi and N. Chukwura broke away from the United Labour Congress because of party-rivalry and leadership conflict, as both were not nominated as delegates to the ILO conference, set up the Nigerian Workers Council and sought affiliation with the International Federation of Christian Trade Unions.[4)]

1. Lynd, G.E., The Politics of African Trade Unionism, op.cit. see pp. 122-123.
2. Cohen, R., Labour and Politics in Nigeria, op.cit., see p. 102.
3. Ibid., p. 120.
4. Ananaba, W., The Trade Union Movement in Nigeria, op.cit., see p. 227.

The data on membership is difficult to find because of lack of information. However, it has been claimed in a study made in 1964, that NWC had some 50,000 members in 50 affiliated unions, which was misleading. The real membership was no more than 10,000 to 12,000 in 39 affiliated unions.[1] Mr. Akpan claimed in 1972 that NWC has organized about a hundred unions mostly in the area of Lagos and Ibadan.[2] Ideologically NWC is very close to the moderate united labour congress, although it was briefly associated with left-wing groups.

Labour Unity Front

A bitter leadership conflict developed among personalities who dominated the trade union centres and led to the formation of many new splinter organizations in the early 1963. Ideological crises broke out in IULC between Goodluck, Bassey, on the one hand, and Imoudu and Ikoro on the other, despite their same strong bond to communism, and a new Labour Unity Front (LUF) was set up to provide a counter challenge to the rival centre.[3] Imoudu and his supporters also formed a new Nigerian Labour Party in order to use socio-economic interests of the working people as their political base and prepared to contest the federal election of 1964 separately.

The Labour Unity Front was constituted by the organizations notably Nigerian Union of Teachers; Imoudu's Railway Union, and Gogo Nzeribe's Post and Telegraph Workers Union,[4] which left the old NTUC or ULC on the matter of personality conflicts and political differences. Its LUF leadership, especially General Secretary Nzeribe, a well-known 'Marxist-Leninist' has been a close associate of the radical pro-communist Pan-African wing of the labour movement. In general LUF has a small but active following, especially in the areas of the birth place of their leaders and tribes which they represent.[5]

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1. Lynd, G.E., The Politics of African Trade Unionism, op.cit. p. 126.
2. Cohen, R., Labour and Politics in Nigeria, see pp. 111-112.
3. Ananaba, W., The Trade Union Movement in Nigeria, op.cit., p. 227.
4. Cohen, R., op.cit., see p. 89.
5. Lynd, G.E., op.cit., see pp. 130-131.

3.3.2.3. Size of the Trade Unions

The weakness of trade union structure in Nigeria is the size of a 'house union' with a very small number of individuals, which could not represent the cause of the workers even to their own employer. For example in an early study complied by T.M. Yesufu, the author claimed that in 1956, out of 205 unions 137 had a membership of 250 or less, and 198 had an average membership of only 440, whereas in 1958, out of the 273 unions returning a total membership of 235,742, about 67 per cent or 183 unions had not more than fifty members each.[1)]

Along with the size of unions the problem of the multiplicity of trade unions in a single industry has made a very complicated situation which became a handicap in negotiating on the matter of workers demands such as fair wage rates and working conditions.

The Nigerian Trade Unions Ordinance passed by the Colonial Administration seems to be partly responsible for these developments in the trade union movement, since this ordinance permits any five persons to form a trade union which could be easily registered. Besides the policy of the colonial government allowed trade unions to develop on the lines of a 'family council or friendly society' based on all employees in a firm,and it is worth noting that in some cases the employer himself became the president of the union.[2)]

From table-3 it is obvious that the large number of trade unions registered since 1964/65 has not more than 51-250 members and even a considerable number of trade unions have less than fifty members which shows its unrepresentative character and a high degree of multiplicity which represents a poor bargaining power against their employers.

The present development of a small size of house unions is

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1. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria, op.cit., p. 79.
2. Ibid., see p. 84.

Table-3[1] Pattern of Union Strength (1962-63, 1964-65 and Sept. 1971

Size of the unions	Total number of registered trade unions 1962/63	1963/64	1964/65	Sept. 1971
50 and under	62	105	91	138
51-250	167	180	231	365
250-1,000	79	93	139	239
1,000-5,000	52	45	47	77
Over 5,000	15	12	21	22
Membership not known	60	67	22	32
Total	435	502	551	873

the outcome of various reasons out of which the following are most important: i) because of a very acute distinction between white- and blue-collar workers and their different income grades; ii) because of the scatteredness of the industrial establishment from the urban areas; iii) because of ethnic and regional differences; iv) the prevailing type of union leadership and v) because of the attitude of the Nigerian employers.

3.3.3. Industrial Relations System

3.3.3.1. Trade Union Recognition

With the creation of a Labour Department by the Colonial Regime during the Second World War, the trade union movement in Nigeria gained encouragement. Prior to the year 1938, when the 'Trade Union Ordinance'[2] was passed, giving sanction for formation and registration of trade unions, no kind of workers organizations was allowed to form and there was no protection against victimization.

The idea to regulate and improve unions of industrial workers in the Colonial territories was marked by the active interest of Lord Passfield (Sidney Webb) as Colonial Secretary, who encouraged simple trade union legislation in order to provide a basis on the lines of the British trade union.[3]

1. Cohen, R., Labour and Politics in Nigeria, op.cit., p. 113.
2. Roper, J.I., Labour Problems in West Africa, op.cit., see p. 57.
3. Ibid.

In spite of the right of formation and registration of trade unions there was no provision for handling labour problems such as wages, conditions of employment, hours of work etc. until 1941, when the Trade Dispute Ordinance was passed, which provided the right to call an inquiry to be made into the circumstances leading to industrial dispute; the Labour Minister may appoint a Conciliator, or arbitration tribunal to solve the labour problems on the principle of voluntary negotiation.[1] It is worth noting that there was no statutory requirement for recognizing a registered trade union by an employer, who was given the "freedom of choice whether or not to recognize or to treat with any trade union."[2] The uneven character and poor organization of the trade unions in their early years caused exploitation by the big employers who were not ready to accept trade unions. Even today the situation has changed little, there are many small employers who are reluctant to recognize their unions and prefer to refer a dispute to the arbitration tribunal, partly because of bad and unhappy experiences with militant professional unionists and partly because of their authoritarian and unfriendly attitude toward small unions. Contrary to that there are few big employers who find that the method of negotiation with their union is the easiest way to deal with industrial problems. Most of them were not willing to deal with a union whose president or secretary is not employed in the same industry or company. A typical example in this respect may be noted by the failure of the African Timber and Plywood workers union to secure management recognition from its formation in 1955 until 1959, on the ground that its secretary was not the Industry's employee and finally he was terminated in order to get recognition.[3]

However, there are a few trade unions which have been strong enough to influence the management and be recognized as representative bodies of the workers, though many had to fight for years to achieve these gains.

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1. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria, op.cit., see p. 22.
2. Ibid., p. 169.
3. Ibid., see pp. 106-107.

3.3.3.2. Industrial Disputes

The immediate effect of World War I indirectly awakened aspirations and stimulated organizational activity among the educated and the working class of Nigeria which led to serious strikes and disturbances. As there were no trade unions, this violence and protest were characteristic demonstrations of the socio-economic discontent. With the marked increase in the cost of living by 75 per cent between 1939 and 1942,[1] industrial agitation and strikes had started and intensified in the following years.

The data presented in table-4 shows that during the war period the number of strikes remained minimum, except in 1945, when a General Strike took place, when the Nigerian Railway refused to increase their wage claim to meet the increasing cost of living. The general strike lasted for 44 days involving some 30,000 to 150,000 workers.[2] Although it was not a successful strike on the country-wide movement, yet it remains a most important event in the Nigerian labour history. Since then more trade unions became strike-conscious.

Many minor labour disputes were reported between 1946 to 1948, the longest strike lasting for more than three weeks, but the others lasted for periods varying from two to seven days, mostly because of disagreement on pay awards by the government; protest against the dismissal; dissatisfaction with hours and conditions of work.

Another important event which caused a series of industrial disputes during 1949 and early 1950 was the killing of 21 workers who were shot dead by the police during a demonstration in favour of pay increase and better working conditions in the Colliery mines at Enugu.[3]

The next decade was marked by several unsuccessful attempts

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1. Davies, I., African Trade Unions, op.cit., p. 81.
2. Ananaba, W., The Trade Union Movement in Nigeria, op.cit., see p. 44.
3. Coleman, J.S., Nigeria: Background to Nationalism (Berkeley 1958), see p. 299. There is little doubt about the reasons of the Enugu shooting, which caused a killing of miners. It is clear that "the union demanded increases in pay and better conditions of work, and these were rejected by the government. The miners went on strike, and this was followed by a series of demonstrations."

Table-4
Trade Union Disputes in Nigeria, 1944-71[1)]

Year	No. of Work Stoppages through strikes	Man-days lost through strikes
1944	9	5,541
1945	13	1,800,000
1946	10	132,000
1947	28	132,000
1948	20	n.a.
1949	46	577,000
1950	19	286,351
1951-52	38	20,243
1952-53	26	59,847
1953-54	33	26,874
1954-55	30	12,200
1955-56	43	901,000
1956-57	30	61,297
1957-58	49	63,400
1958-59	53	73,095
1959-60	54	70,862
1960-61	69	160,478
1961-62	58	57,303
1962-63	45	53,033
1963-64	62	94,907
1964	170	1.300,000
1965	125	238,679
1966	59	54,165
1967	66	80,171
1968	32	46,137
1969	53	101,202
1970	50	54,051
1971	143	217,648

for the improvement of socio-economic conditions of the wage-earners which rapidly resulted in strikes and increase in the number of trade unions. The peak period for industrial unrest was between 1955-56 and the early 1960, when the influence of nationalism and the existence of militant unions raised the consciousness of the masses about collective and organized action for national independence and improvement in the colonial labour legislation. There had been no improvement in the statutory machinery for the settlement of trade union disputes since its origin in 1941.

1. Cohen, R., Labour and Politics in Nigeria, op.cit., p. 194. Also see Yesufu, T.M., An Introduction to Industrial Relations in Nigeria, op.cit., p. 57, and Tulatz, H.A., Die Gewerkschaftsentwicklung Nigerias, op.cit., p. 127.

It appears from the data provided in table-4, that the number of man-days lost through strikes and lockouts in the next decade except one year remains quite low as compared to 1945-50, which led the government to believe that the present industrial relation system functions correctly and needs no amendments. But in reality there is a number of factors which caused a low man-days loss during 1951-60, like for example: incomplete official statistics on labour disputes; incapacity of small unions to call a strike because of lack of financial resources; another observation is the short duration of the average stoppage, as according to the labour ministry's report about three-quarters of the reported disputes which caused stoppages have ranged from three hours to two days.[1] T.M. Yesufu also challenged the government's views on the perfect functioning of industrial relation system. According to him it is because of the lack of proper and capable trade unions movement in the country.[2]

The period since independence had seen a further strengthening of the trade union for the purpose of forwarding common demands for extensive changes in labour laws and wage improvement. The 'Zudonu Committee Report'[3] prepared by the TUC of Nigeria in 1961 did not get any consideration of concessions for the working people and led to the formation of a 'Joint Action Committee' for the furtherance of workers demands. A one-day general strike on Sept. 27,1963 forced the government to appoint the 'Morgan Commission' for enquiry, which presented a report in April 1964. Due to the unwillingness of the government to publish and implement it a general strike broke out on May 31 and lasted until June 13, when an agreement was reached on the conditions of the Morgan Commission Reports.[4]

Over the next few years there was political unrest. In Jan.

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1. Kilby, P., Industrialization in an Open Economy: Nigeria 1945-1966 (Cambridge 1969), see pp. 273-275.
2. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria, op.cit., see pp. 55-56.
3. Ananaba, W., The Trade Union Movement in Nigeria, op.cit., see p. 228.
4. Ibid., see pp. 237-239 and also pp. 247-248.

1966 there was a military coup and in May 1966 the 'Kano riot' in which many civilians were killed, was followed by a counter military coup in June 1966. These events and the mass killing between Sept. 29 and Oct. 1 led to civil war, continued until Jan. 1970. During this political unrest there is lack of evidence and information on trade union activities to be justified as an independent and fearless representative of the workers.[1)]

Thus in 1966/67 and afterwards there was a decline in the number of strikes, partly because of the tough measures adopted by the military regime and partly because of the civil war during which the trade unions preferred to keep quiet for the time being. The country survived as a single entity, the effects of the war, however, were increasingly felt to be leading to a rapid increase in the number of strikes and the number of man-days lost reached its peak since the military coup in 1966.

Despite the fact that all strikes were outlawed by the Federal Military Government, 10,000 textile workers came out in Kaduna and protested in order to press their demands for higher wages and in the following year, 1972, a number of militant strikes occurred, including one in which "the employees were accused of having sabotaged the country's telex lines, doing damage worth 500,000 pounds. On March 13, 500 NET workers were'forced to go on leave': their spokesmen denied any sabotage to equipment."

In summing up the situation it is obvious that there are serious industrial disputes in the country over the wage matters; industrial discipline and the style of management in industry and over a demand for improved physical conditions of work which require a more speedy and acceptable labour dispute settlement machinery than a formal arbitration or compulsory conciliation.

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1. Ananaba, W., The Trade Union Movement in Nigeria, op.cit., see pp. 253-256.

3.3.3.3. Collective Bargaining

Prior to 1941, collective bargaining in general was not existing. There were few big inuustrial establishments. The 1941 'Trade Disputes Ordinance' provided for collective bargaining three different procedures, i) by conciliation; ii) through arbitration with the consent of both parties and iii) by appointment of a Board of Inquiry.[1)]

Since the establishment of the Department of Labour in 1942 in Nigeria, collective bargaining has been practiced, mainly directed by statutory machinery. The early formation of a TUC in Nigeria provided a centre frequently consulted by the colonial government on matters causing industrial unrest, particularly on wages and on duration of the working week.[2)]

Because of the lack of a strong trade union movement which could bargain on equal terms with their employers, there were no written collective agreements reached through negotiation between trade unions and employer, except for one with the printing trades in 1942, and the other with Likomba Plantation Workers Union in 1952.[3)]

With the growing labour unrest and continous complaints from the organized workers about the conditions of work and wages it was necessary to change the inadequate industrial relation machinery in order to establish industrial peace. In this respect 'Whitley Councils', which became the machinery for collective bargaining, were set up on the advise of Mr. Cowan of the United Kingdom Ministry of Labour and National Service. They failed completely because of the lack of progress in negotiation and dissatisfaction from the side of the staff. But after some changes here and there the councils continued to be in operation.[4)] There were some 212 such councils and Committees functioning by 1957, covering about 25 to 30

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1. Nigeria, An Economic Survey of the Colonial Territories, 1951 (Colonial Office London, H.M.S.O. 1951), Section Nigeria.
2. Roper, J.I., Labour Problems in West Africa, (London 1958), see pp. 83-84.
3. Ibid.
4. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria, op.cit., see p. 52.

per cent of the working force in the country.[1] The rest of the working population however, is not covered under this system. Moreover, it was mostly dominated by the employers and their nominated head of the Council. Despite its different and diffused constitution in various sectors of the economy, with few exceptions, where the chairman of the Committee is an independent person, its characteristics are similar and caused very little success in the establishment of industrial peace.

After Nigeria gained her independence, the system of voluntary bargaining established by the colonial administration was continued as the best possible industrial relations system,[2] providing a possibility of mutual understanding between employers and their trade unions, irrespective of the fact that the trade unions are not well organized and strong enough to represent workers interests.

In general the prevailing conciliation and arbitration machineries introduced under the colonial regime and the minor changing after independence had little to offer on the real problems of the trade unions and their members.

The national crisis and civil war undermined the voluntary principles of collective bargaining and the military authority issued a decree in May 1968 imposing compulsory arbitration in any disputes which lasted longer than seven days. In 1970 an Industrial Arbitration Tribunal was set up to settle wages as well as other matters concerning collective bargaining.[3] According to a study about trade disputes made during the period 1966/67 to 1970/71, it was estimated that the government intervention involved ranged from 27,8 per cent to 50 per cent, direct negociation ranged from 20,3 to 44,4 per cent; and formal conciliation accounted for 0,07 to 14,3 per cent.[4]

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1. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria, op.cit., p. 53.
2. Cohen, R., Labour and Politics in Nigeria, op.cit., see p. 180.
3. Ibid., see pp. 182-183.
4. Sonubi, O., Trade Disputes in Nigeria 1966/1971, in: The Nigerian Journal of Economic and Social Studies, 1973, vol. 13 (2), pp. 233-234.

It is evident from the fact of the increasing power of intervention that the Labour Ministry under the federal military government in general has restricted the ability of the trade unions to solve their problems through collective bargaining with the employers.

3.3.3.4. Worker-Management Relations

Because of the low degree of unionization and small size of trade unions with a poor organization, industrial relations between workers and management are not developed on the basis of mutual adjustment, rather management in most cases is reluctant to consult workers representatives on daily matters like canteen, staff welfare, factory safety, changes in hours of work, hygiene and productivity.

In order to improve worker-management relations few all-purpose departmental committees were established with an object to speak for labour. In 1948 Whitley Councils were set up in some sections of the public sector on the footsteps of the British model. There were two different types of Whitley Councils, 'A' and 'B', for the clerical and the manual staff respectively.[1] In 1951 these councils were reconstituted with minor changes. Regional governments and private employers have also followed the advise of the Department of Labour and established Joint Consultative Committees. For the selection of worker representatives different methods are used like: ballot, show of hands, and in a few cases where trade unions are very strong election may decide.[2]

The employers were mostly interested to create different committees and manipulate them in order to undermine the trade union job in the factory causing a conflict between the Joint Consultative Committees and the trade unions on the questions

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1. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria, op.cit., see p. 52.
2. Ibid., p. 54.

of their functions as it was not under the responsibility of the committee to negotiate on the matter of wages and working conditions. It was more favourable for the employers to talk with the workers committee than to their unions.[1)]

Once again, in 1954, the structure of the Whitley Councils was reformed, especially in the north and west regions where trade unions were weak and the Whitley Councils were unable to function. But in general the performance of the Council was only a small success as can be seen by the achievement of the different commissions, as reported by the Gorsuch Commission in 1954, the Mbanefo Commission in 1959, and the Morgan Commission in 1964, in which "leadership rivalry and poor case presentation on the employee's side was balanced by officials who were reluctant to spend the interminable hours required by these negotiations."[2)]

In addition to this "in many cases, it appeared to be still widely believed by employers that to consult workers would affect in an adverse manner, the presumptive sanctity of management's authority and prerogative; that such a practice would undermine discipline if management plans for improvement should be subject to criticism by subordinates. Many trade union leaders, on the other hand, also seemed to entertain doubtful fears that joint consultation in industry would vitiate trade union influence and activities."[3)]

In order to develop worker-management relations 'Joint Industrial Councils very recently have also been established at industry-wide level in the rubber, shipping, building, civil engineering, mines and banking industries.

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1. In a survey of 21 firms in 1963, it was found that in 6 companies where the unions were defunct or in fragments Joint Consultative Committees had taken over the unions functions outright and that in 14 of the remaining 15 companies, matters theoretically reserved for union negotiation were also discussed in the joint consultative committees. Nigeria Employers Consultative Association, Survey on Joint Consultation,mimeograph. Lagos, August 1963. Quoted in: Kilby, P., Industrialization in an Open Economy: Nigeria 1945-1966 (Cambridge 1969), p. 298 (footnotes).
2. Ibid., see p. 299.
3. Cohen, R., Labour and Politics in Nigeria, op.cit. p. 184.

3.3.4. The Leadership of the Trade Union

3.3.4.1. Professional Labour Leaders

Trade Union leaders occupy a central place in the organization and functions of union affairs, and for that very reason their work, sense of responsibilities, honesty of purpose and devotion to duty has received a great importance to describe the character of union leadership.

In the Nigerian Labour Movement a professional type, 'general secretaries', are dominating the union leadership. They are likely to have little understanding of the exact nature of the function, problems and grievances that may arise from the conditions of work, partly because they do not belong to the working people and partly due to the lack of physical contact as most of the 'general secretaries' have their office far away from the working place. It is not uncommon that a majority of the union members have not even seen their 'general secretary', for example as is the case reported in a study made in 1958, about 30 per cent in the railway workshops, and nearly 43 per cent at the Sapele sawmills.[1)] On the other hand there is evidence that a few labour leaders have never been at the place of the undertaking or establishment, despite the fact that they are representatives of the workers.[2)]

Because of the lack of union leadership qualities it is a common belief among government officials and members of commission or arbitration tribunal that the labour leaders are, with few exceptions, not fully devoted to the labour cause, as reported by the Fitzgerald Commission in 1949, "we regret to say that the evidence that has been adduced before us convinces us that the Trade Union Leaders, in the great majority of cases at all events, have shown little sense of that responsibility."[3)] It has been argued that the professional type

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1. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria, op.cit., see p. 96.
2. Cohen, R., Labour and Politics in Nigeria, op.cit., p. 121.
3. Yesufu, T.M., op.cit., p. 88.

of 'secretary' is generally organizing trade unions in order to raise his personal income. Becoming paid officials of the small unions, many of them hardly see any difference between trade union funds and their personal funds.[1)]

Apart from dishonesty and corruption the 'check-off system' which was imposed to secure the union finance has favoured the leadership to impose their authority in the union and even more personal domain of a few top officials, who threatened with collapse if their leadership was challenged.[2)] This kind of experience has led highly central dominated outsiders to use trade unions for their personal use and to create a pressure group for their political interests.

The outstanding Nigerian union leadership, who dominated since the 1940s and gained a powerful influence after independence at the level of the central trade union organization including both the 'moderate' and 'radical' front of the labour movement has emerged from within the 'National Council of Nigerian Citizens' (NCNC), the first national political party, to which L. Borha, secretary of the United Labour Congress, and S. Bassey of the Nigerian Trade Union Congress belonged, until NCNC was banned after the military coup in 1966.[3)] Among those who dominated the field most have primary educational background, but all of them had a long militant service experience in the history of labour movement, like Imoudu, Ishola, Adebola, Chukwura, Anunobi and Goodluck[4)], who always remained on the top of the union bodies.

3.3.4.2. Lower Level Leadership

Beyond the central organization leadership there are regional and district secretaries, who mostly come from the middle class, with a significant educational background received abroad under various courses sponsored by the ICFTU and Nigerian government and trade unions. These regional and district

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1. Ananaba, W., The Trade Union Movement in Nigeria, op.cit., see p. 261.
2. Lynd, G.E., The Politics of African Trade Unionism, op.cit. see p. 28.
3. Schwarz, W., Nigeria (London, 1968), see p. 26.
4. Cohen, R., Labour and Politics in Nigeria, op.cit., see p. 122.

labour leaders are basically at the same time bureaucrats and co-ordinators, generally working for the old leadership.

Real workers leadership is lacking at every level except for one leader, Michael Imoudu, who worked in the railway and organized the first railway union in the early 1930s.[1)]

There is a controversy over outside leadership between the government officials and employers, who did not want to deal with union leaders not being employees or ex-employees of their establishment. In favour of professional leadership according to the Ministry of Labour "it is argued that the professional Secretary owes his existence largely to the fact that in the past attempts by employers to curb union activity have taken the form of discharging the leaders or promoting them out of the union sphere. It is also argued that he provides the necessary degree of literacy, and in the absence of other adequate methods of communication, is free to make personal contact with remote branches to obtain support and explain issues."[2)]

These facts explain the situation of the rank and file union workers who did not find any significant place in the union leadership in order to represent their cause.

In short, the prevailing type of leadership did not understand workers interests and often was little inclined to consult them.

3.3.5. Role of the Government

3.3.5.1. Labour Policies

The creation of a stable labour force has not been deliberately promoted in Nigeria, either by employers or by government. There was no encouragement of the workers to settle down to any regular, constant industrial employment, or to acquire

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1. Schwarz, W., Nigeria, op.cit., see p. 156.
2. Kilby, P., Industrialization in an Open Economy, op.cit., p. 294. Cited from the Ministry of Labour, Annual Report, 1956-57, paragraph 73.

skills, or to give it chances of vertical movement in jobs. An encouragement to settle down to regular employment was all the more needed in Nigeria, as the labour force comes from different scattered tribal populations. On the contrary the tribal chiefs and administrators in fact took to using forced labour despite the fact that this was not permitted since 1933.[1)]

The local administration as well as the British Colonial officials pursued no conceived labour policy prior to 1939 in Nigeria. The main impetus was caused due to the increased demand for raw materials on the one hand and pressure from the ILO and British TUC on the other.[2)] After the declaration of war, which made the effective utilization of labour imperative, the colonial administration was forced to consider the labour problems. This led to the inauguration of a 'Department of Labour' in Nigeria in 1942[3)], with an object to implement labour policies dealing with questions like industrial relations, working and living conditions, wages and employments.

The main character of Nigerian Labour policy during the 1950s was, that it based neither on complete laissez faire nor on total state direction. According to T.M. Yesufu, "it is the state's policy that wages, the length of the working week, and all such conditions of work, should normally be settled by the parties directly concerned - namely, the workers and employers - without the interference of any third party. But it has accepted the necessity to lay down a minimum of basic rules as a sort of framework, within which the parties shall function."[4)]

In order to facilitate the workers and their organizations the government had established minimum rules like: Labour Code Ordinance, Trade Union Ordinance, Trade Dispute Ordinance,

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1. Davies, I., African Trade Unions, op.cit., see p. 35.
2. Ibid., p. 38.
3. Yesufu, T.M., An Introduction to Industrial Relations, op. cit., see p. 24.
4. Ibid., see p. 20.

and Workers Compensation Law, Factories and Wages Boards Ordinance, which supposed to protect the trade unions and bargain with their employers on equal terms.[1)]

In general it was the policy of the government in the colonial period to remove the trade unions from the illegal and anti-state level to a legal and recognized workers organization. In this respect the early recognition of the Nigerian Trade Union Congress provided a centre, which the government has consulted frequently to discuss labour problems. In the Nigerian labour history this fact gave an opportunity to trade unions to play an active part in the formative period 1940-45.

During this period trade unions increased their strength and militancy and launched a successful general strike, which forced the government to make concessions to the workers and a commission was set up to consider workers wage demands.[2)]

The next decade was marked with several labour riots and strikes because of the conflict between those unionists who wished trade unionism to perform a purely protective function as encouraged by the Labour Department, and those who wanted to use it as a base for building a socialist party in Nigeria. This difficulty was partly caused by the political indifferences and partly by the trade union movement which allowed employers and government to ignore the various trade union legislations because of the absence of any coherent labour policy.

A notable factor of the time of the early 1950s was that the modern factory type industry was very limited, contributing less than 3 per cent in the Nigerian total output of all manufacturing, including handicrafts and the mechanized processing of agricultural products.[3)] The number of industrial

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1. African Labour Survey, International Labour Office (Geneva) 1958, p. 651.
2. Davies, I., African Trade Unions, op.cit., see p. 82.
3. I.B.R.D., The Economic Development of Nigeria (Baltimore, 1955), see pp. 12-13. The industrial contribution was estimated 10 % with the inclusion of building, mining and other allied items.

wage-earners was only a very small proportion of the working population, not more than 323,834 as noted in March 1954.[1] This indicates that the keen interest of the employers as well as of the local government to promote industrial development dominated the labour policy with an object to ensure that unnecessary strikes and workers unrest should not take place.

In order to confirm its belief in 'laissez faire' the Federal Government re-stated its policy in 1955: "Government reaffirms its confidence in the effectiveness of voluntary negotiation and collective bargaining for the determination of wages. The long term interest of Government, employers and trade unions alike would seem to rest on the process of consultation and discussion which is the foundation of democracy in industry. Government intervention in the general field of wages should be limited to the establishment of statutory wage-fixing machinery for any industry or occupation where wages are unreasonably low by reference to the general level of wages. Any other policy would seem likely to lead to political influences and considerations entering into the determination of wages with effects that might be ruinous economically, and which could have serious adverse consequences for the development of sound trade unions. Government is also confirmed in its support for the view that wage rates should vary according to the varying economic circumstances of the areas in which they are earned."[2]

Despite the fact that the trade unions were not well organized and strong enough, it is obvious that the Nigerian government was affirmed to follow the British tradition of voluntary negotiation and collective bargaining for the development of trade unions on the one hand and creating an atmosphere of industrial peace on the other, in order to promote industrial development.

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1. Roper, J.I., Labour Problems in West Africa, op.cit., p. 108.
2. Annual Report 1954-55, Department of Labour, Nigeria, paragraph 20.

Chief Okotie Eboh, federal labour minister, while addressing a conference in Geneva, stated that "we have followed in Nigeria the voluntary principles which are so important an element in industrial relations in the United Kingdom... There is little doubt that Government intervention in the field of wages can have very adverse effects, in developing countries at least, on trade union development and therefore on labour-management relations, unless it is carefully restricted to those fields where collective bargaining is either non-existing or ineffective... Compulsory methods might occasionally produce a better economic or political result, but labour management must, I think, find greater possibilities of mutual harmony where results have been arrived at by free discussion between the two parties. We in Nigeria, at any rate, are pinning our faith on voluntary methods."[1)]

In spite of the lack of significant legal provisions and protection of the workers the Nigerian government supported the prevailing labour legislation without any change, and formally accepted the trade unions status as a sole representative of the workers. It is remarkable to note that because of the inadequate staff of the Labour Department, complicated division of authority between the federal and regional governments and limited defined functions made the Labour Department ineffective, which led the workers to believe that it is the intention of the government to leave them at the mercy of exploiting employers.

Workers and their organizations are constantly accusing labour officers, who mostly favour employers and are not impartial. In order to improve the labour-management relations Nigerian government has created a 'Federal Labour Advisory Council' consisting of twenty members, drawn in equal numbers from employers and trade unionists.[2)]

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1. Kilby, P., Industrialization in an Open Economy, op.cit., p. 270.
2. Yesufu, T.M., An Introduction to Industrial Relations, op. cit., see p. 160.

Since its formation the Federal Labour Advisory Council has contributed towards labour legislation, creation and maintenance of industrial peace and democracy, improvement in the labour-management relations and influenced the policy measures of the government, but only a limited success has been achieved because of the inadequacy of personal with special skill of labour and industrial relations problems.

In order to improve the wage situation a Wages Board was set up to regulate the wages and other conditions of work, and many other industry and occupations were brought under the control of the Wages Board, where no such regulation existed.[1)]

At the time of independence there was only a small number of firms in Nigeria generally engaged in small scale manufacturing, and as it was the responsibility of the private sector to set up industry, the labour policy of the popular government and of the first Republic, was generally consisted on the similar 'Anglo-Saxon model' which they inherited from the colonial government. It was the policy of the government not at all to interfere or influence the outcome of private negotiations between employers and trade unions, which caused serious problems as there was no minimum wage legislation with the exception of a few industries.[2)]

In the public sector since independence the Nigerian government has reviewed her wage policy according to the recommendation of specially constituted tribunals. This was a result of the pressure of trade unions partly due to the increasing demand of the Nigerian public for the Nigerianization of the economy.

During the period between 1966 and 1970, after the outbreak of the civil war, the military government imposed restriction and used repressive measures against trade union activities and strikes were prohibited. The workers and their

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1. Ekundare Olufami, R., An Economic History of Nigeria, 1860-1960 (London 1973), see p. 374.
2. Kilby, P., Industrialization in an Open Economy, op.cit., p. 270.

organizations have occasionally shown a supporting attitude but there was a widespread dissatisfaction among the working people,[1)] which broke out in the early 1970, soon after the end of the civil war.

Because of the prolonged war the economic situation was seriously affected. In order to stimulate the national economy, a wage and salary review was required to create industrial peace and to meet the continously rising food prices. An 'Adebo Reward' was agreed to pay the workers in both public and private sectors on the recommendation of the 'Adebo Commission' which raised the wages and salary rates by about 30 per cent.[2]

In a new policy move the Federal Military Government declared a 'Wage Freeze' until 1974, and also recognized four central labour bodies, LUF, NTUC, NWC and ULC. The right of joining unions is not given to members of the armed forces, police customs, central bank and Nigerian external telecommunication.[3)]

In fact the present political conditions in Nigeria restricted the freedom of the unions. Under these circumstances trade unions are not in a position to represent their members and it is notable that there is still no minimum wage in Nigeria on national basis.

3.3.5.2. Labour Legislation

The development of labour legislation in Nigeria generally started after the economic crisis of the early 30s which forced the colonial administration to draw their attention to the problem. In fact there was little political consciousness of the working population, but the economic depression which affected the wages and cost of living of the poor masses, moved them to form illegal trade unions in order to exert some pressure on their employers. According to the earlier Labour Code

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1. Cohen, R., Labour and Politics in Nigeria, op.cit., see pp. 227-230.
2. The differentials between the top and bottom of the wage scale was not removed, yet this was the first occasion on which the recommendations of the commission were sanctioned by the governemnt. Ibid., see p. 237.
3. Contemporary Record, Africa, Series 5 & 6, 1972-73, 1973-74 p. B 700, B 737.

of 1929,[1] it was not permitted to break the contract of employment, and the fear of penalties made it possible for the employers to exploit wage earners.

According to the recommendation of Lord Passfield (Sidney Webb), Secretary of State for the colonies, the Colonial Office took initiative to introduce simple trade union legislation which became necessary for the social and industrial development in the colonial territories.[2]

At the time of independence there were some 23 ILO conventions accepted by the Nigerian government, out of which 8 were not in practice. Most of them are concerned with the matter of forced labour; recruitment and long term contracts; for the protection of women and children; freedom of association, wages and working conditions.[3] There is little doubt about the fact that ILO has made a significant contribution to the content of Nigerian labour legislation, but the basis of development in this field is generally laid down on the British Common Law tradition. After achieving provincial autonomy a 'Federal Labour Advisory Council' has been charged with the object of undertaking a detailed survey in order to bring the present labour legislation into the standards of the international conventions of ILO, and modify them according to the changing need of the national industry.

The present labour laws are generally classified into the following headings, each of which needs separate attention.

1) Forced Labour. In order to meet the manpower needs there was a more or less systematic imposition of forced labour in the colonial territories in Africa. Forced labour was abolished in 1931 in the Nigerian territories, when the United Kingdom ratified the 'Forced Labour Convention' in 1930.[4] Yet it was not abolished until the late fifties and even porterage, for example, existed before independence.

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1. Ekundare, R.O., An Economic History of Nigeria, op.cit., see pp. 366-367.
2. Yesufu, T.M., An Introduction to Industrial Relations, op. cit., p. 29.
3. Anon., The Influence of International Labour Conventions on Nigerian Labour Legislation, ILO, July 1960, 82 (1) pp. 5-6.
4. African Labour Survey, International Labour Office (Geneva 1958), see p. 298.

2) The Labour Code Ordinance. Before 1929 there was no legislation covering the working and employment conditions, child labour, night work and regulation of payment. Not until 1929 however, the regulations were introduced to recruit the natives for work in other colonies with a written contract not exceeding 13 months.

In 1931, the Labour Ordinance was amended. Night work by women was prohibited, and it was not allowed to employ children under 14 years of age in any industrial undertaking. A further step to modify the Labour Code Ordinance was taken in 1945 which also included the provision of Maternity Protection in which it was required from the employer to pay maintenance benefits during the maternity leave, provided the women had been in his employment for the previous six months, 25 per cent of the wages would be normally paid.[1)]

In 1950, the minimum age for industrial and maritime employment was fixed to 15 years, and in industries where record had to be kept was raised from 16 to 18 years in order to meet the ILO standards. This Ordinance also was amended in 1953 and 1956.

3) The Trade Union Ordinance. Before 1938, there was no protection of trade unions from victimization and prosecution for conspiracy, which hampered the growth of trade unionism. The Trade Union Ordinance was passed in 1938, but came into force in 1939, legalizing any trade union with 5 or more members formed and registered under its provision. The registered trade union enjoyed the benefits including the right to peaceful picketing; protection against civil actions for breach of contract, and for tort in respect of acts done in contemplation of furtherance of a trade dispute. It was also provided that if any trade union was declined by the registrar it has the right of appeal to the High Court.[2)]

There was a minor modification in the trade union ordinance

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1. Anon., The Influence of International Labour Conventions, op.cit., p. 13.
2. Yesufu, T.M. An Introduction to Industrial Relations, op. cit., see pp. 30-32.

in 1948, but since then no fundamental alteration has been made.

4) Trade Disputes Ordinance. There is little evidence for the intervention by the government to use their force in order to settle the reported trade disputes as there was no Labour Department or any other legal ordinance before 1940. In this respect the first attempt was made in 1941, when the Trade Disputes (Arbitration and Inquiry) Ordinance was passed to prove the necessary legal support and a minimum state intervention to save the situation from degenerating.

Under this Ordinance it was provided that it is the state's responsibility "for the establishment of an Arbitration Tribunal and a Board of Inquiry in connection with Trade Disputes, and to make provision for the settlement of such disputes, and for the purpose of inquiring into Economic and Industrial Conditions in Nigeria."[1] Moreover, this Ordinance provided the statutory machinery by conciliation, arbitration with the consent of both sides.

The Ordinance was amended in 1957, when after a constitutional advance the Ministry of Labour was reorganized and an Industrial Relations Commissioner was designated; this not only provided the parties an opportunity but also exercised a prevailing pressure upon them to go into negotiation to solve their disputes. Since then no important change has been introduced.[2]

5) Factories and Mining Legislation. Although few efforts have been made before the Second World War to provide a minimum standard of welfare for the industrial workers, after 1945 the Safe Mining Regulation was introduced, and the existing Minerals Ordinance was amended "to provide a variety of measures including the supervision and adequate fencing of dangerous machinery, the storage and use of explosives, and special

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1. Yesufu, T.M., An Introduction to Industrial Relations in Nigeria, op.cit., p. 22.
2. African Labour Survey, International Labour Survey, op.cit., see p. 651.

precautions required for open-cast, alluvial and underground mining."[1] In 1948 a few amendments have been made to provide better working and safety measures regarding implementation of international labour conventions.

The first Factory Ordinance, 1955, based on British model, was introduced and brought in force in 1956, defining a factory "as a place employing ten or more manual workers making or processing articles, and included shipyards, dry docks, railway workshops, electricity-generating stations and waterworks."[2] This Ordinance provides safe working conditions, minimum health and welfare facilities, and enlarges the power of Labour Inspectors who are responsible to enforce the ordinance. No further amendment has been made and the scope of this ordinance is very limited. Cottage industries and agricultural workers are not included.

6) The Workmen's Compensation Ordinance, 1941, provides for the payment of compensation to injured workmen suffering by accident arising out of, and in the course of employment. The claims are settled under the Ordinance provision by the Court, and also may be settled between the parties in the case of non-fatal accidents. Because of many complaints by the workers an amendment was introduced in 1950, which also provided to expand the Ordinance to cover all the diseases listed in the ILO Workmen's Compensation Convention 1934.[3] In 1956 it was amended.

7) The Wages Boards Ordinance. The colonial government authorized the 'Governor-in-Council' to fix minimum wages for labour in the areas and occupations in which wages may be unreasonably low.[4] But no efforts to introduce minimum wages were made before 1941. The outbreak of war heavily influenced the cost of living of the workers which caused a rapid increase in the number of trade unions. Voluntary collective bargaining between employers and trade unions was encouraged by the

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1. Ekundare, R.O., An Economic History of Nigeria, op.cit., see p. 375.
2. Ibid., p. 376.
3. Anon., The Influence of International Labour Conventions, op.cit., July 1960, 82 (1), see p. 17.
4. Ibid., p. 15.

government, and a number of boards was established to review wages and conditions of work. The Provincial and Regional Wages Committees were established under the Labour Code (amendment) Ordinance 1950, with an exception of the Western region, where in 1954 a minimum wage was fixed for government employees. A similar step was taken in a few trades and occupations, particularly in the federal area of Lagos.[1)]

In order to avoid wage differences in the areas where the workers are not sufficiently organized and the wages are unreasonably low, the government established 'wages boards' to regulate by order wages, hours of work and holidays. Under this ordinance it has been provided that the Ministry of Labour may establish wage boards in any industry or occupation where wages are quite low,[2)] but so far only the area of Lagos has been covered by this ordinance, whereas in the other areas wages are fixed by bargaining.

Against the background of this and other labour legislation followed by the civil governments of Nigeria since 1960 the industrial relations system was generally established on voluntary negotiation and bargaining, but soon after the military take over after 1966 few amendments have been made in the prevailing labour legislation in order to face the war economy.

The Trade Dispute (Emergency Provision) Decree (No. 21 of 1968) severely restricted the trade union rights, and established an 'Industrial Arbitration Tribunal' in the early 1970,[3)] in order to review workers wage grievances and to settle trade disputes. The Federal Military Government adopted a compulsory adjudication method as the basis of industrial relations in Nigeria while undermining the freedom of the workers organization.

The labour legislation oriented primarily towards the traditional British philosophy of the autonomous nature of trade

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1. Nigeria, A Report for the Year 1954 (London, Her Majesty's Stationary Office, 1958), see p. 14.
2. Ekundare, R.O., An Economic History of Nigeria, op.cit., see p. 374.
3. Cohen, R., Labour and Politics in Nigeria, op.cit., see pp. 182-183.

unions and of the conduct of industrial relations and their freedom from governmental control, from the superimposed system of compulsory labour courts or statutory enforcement of wage agreements. It could not be enforced in a very short period because of many imperfections including the nature of the economy, the lack of experience in organization and administration, lack of union stability in negotiation and the outlook of the employers.

Therefore, the role of government in order to establish industrial peace and to intervene to safeguard the workers' interest is of much greater importance in developing countries until trade unions gain enough experience to be able to conduct their matters satisfactorily by themselves.

3.3.6. Economic and Social Conditions

3.3.6.1. Colonial Development Policies

A better understanding of the Nigerian economy and its future prospects needs a discussion on the colonial period, which has moulded its economic activity, patterns of production, production agents and policy makers. Industrial capitalism of the 19th century influenced Nigerian society so much that after centuries of slavery it became systematically exposed to legitimate commerce, and the British, who controlled both the machinery of the government and the character of commerce, have been mainly responsible for transforming Nigerian economy into a market economy, as an arm of the British economic system.

Due to the belated realization by the colonial adminstration that economic growth should not be impeded and that it was its duty to develop the vast economic polarities, it has granted financial assistance to stimulate agricultural and industrial activity in Nigeria in the early 1930s. To improve the system and the techniques of production in agriculture, and especially to improve the quality and quantity of those agricultural products which were major items of export,

several institutions were established.[1)]

During the Second World War the Nigerian economy stagnated because of the economic control introduced by the British government in their colonies. It was obliged to increase export of foodstuffs and raw materials to Britain, as well as to extend credit to Britain on a large scale, which affected the normal economic development very adversely and reduced the economic welfare of the people by sacrificing their needs for imported capital and consumption goods.[2)]

The first planned development activity started in Nigeria under the ten years (1946-56) programme, which realized a few development projects in transport and communication, public health, irrigation and general research on the production of primary products. In the meantime the plan has been frequently revised on the advise of the colonial administration and in 1955, with a one-year overlap a new plan was started under the Colonial Development and Welfare Scheme for another five years 1955-60, while the finance for development in Nigeria generally came from indirect taxes and profits of the marketing boards, contribution from the colonial development funds etc.[3)] Available information and statistical data do not permit us to measure changes in the total level of economic activity with accuracy, but it is obvious from whatever data available, that impressive economic gains were made during the last twenty

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1. Like for example "the Moore Plantations at Ibadan as an agricultural experimental station. In 1923 experimental stations were also established in Zaria, Umuahia and Benin. An Agricultural Research Station was also established at Vom in Northern Nigeria in 1925. Two years later, the agricultural school at Ibadan was opened. In 1934 two other institutions were established: the Agricultural Stations at Samaru and the Veterinary School in Kano. In 1942 the Veterinary School at Vom was established with the aid of the Colonial Development and Welfare Fund".
   Ekundare, R.O., An Economic History of Nigeria, op.cit., pp. 159-160.
2. Petch, G.A., Economic Development and Modern West Africa, (London: Univ. of London Press, 1961), see pp. 190-206.
3. I.B.R.D., The Economic Development. A Report (Baltimore: John Hopkins Press, 1955), p. 14 and also see Nigeria - The Political and Economic Background (R.I.I.A., Oxford Univ. Press), pp. 136-139.

years before independence in 1960.[1)]

An important feature of the economic policy responsible for economic progress during 1954-60 is the transfer of substantial power from the central to regional authorities by expanding their responsibility for formulating and implementing economic policy, notably in agriculture, industry, roads and education.

Another important feature regarding economic development in Nigeria is the extent to which the Nigerian people have been affected by external economic contracts which stimulated the growth of the exchange sector; and the non-African enterprise has been a significantly important factor which financed investment in the development of mines and plantations, transportations, and in the growth and expansion of external trade. According to the information available in the 1950s, foreign capital has financed between 12 and 25 per cent of the total private fixed investments in Nigeria.[2)]

It is remarkable that in less than ten years before independence, the Nigerian economy had grown and strengthened to such an extent that it bore little resemblance to the pre-war subsistance economy.[3)] The initial impetus for this rapid economic growth came from the War and the extended post-war demand for Nigerian export. Agriculture, which has been the most

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1. The average Nigerian's standard of living was low. National income estimated for 1952-53 shows a per capita income of approximately 21 pounds. This was of the same order of magnitude as India's and Pakistan's at that time.
   The value of all goods and services produced in the country, the gross domestic product, amounted to 680 mio pound in 1952-53. (Agriculture, including forestry, animal husbandry and fishing accounted for almost two thirds of the income; transport and distribution including the operations of marketing boards made up another 15 %. Manufacturing, including handicrafts, accounts for less than 2 % of the gross domestic product; even when mechanized processing of agricultural products is included, industry's contribution to the total output does not exceed 3 %.
   See I.B.R.D., The Economic Development, op.cit., p. 12.
2. Ibid., see p. 28.
3. Cf. p. 232 in this study.

important sector, underwent little change from its traditional pattern of production, but the new pattern of investment in the capital-intensive industry, producing consumer and intermediate goods, saw a tremendous progress, especially in seven or eight towns including Lagos. The dramatic development of oil extraction made Nigeria one of the world's largest petroleum producers.[1)]

For the sake of simplicity we divided the analysis into following subtitles: Planning development, Growth of economy, employment problems, which could help us to understand the composition, the structure of the Nigerian economy on the one hand and economic policies responsible for the social and economic injustice on the other hand.

3.3.6.2. Planning Development

The previous experience of 15 years of economic planning drawn up under the colonial administration in Nigeria was based on programmes drawn up in individual government departments as well as sets of schemes for the improvement of services based on department policies. There was no national plan; there was merely a regional plan oriented toward the allocation of funds in a competetive manner irrespective of national needs and socio-economic conditions. Moreover, the absence of any specific priority actually given to economic achievement, and of detailed national economic policies, seems to justify the argument that the period under discussion cannot be assessed under national planning criteria.

In this respect the post-independence planning practice and development policy have greater significance because of the federal government's commitment to national development planning. There have already been two 'national Development

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1. The domestic export of crude petroleum in million naira amounted to 4.563,1 in 1975 and already in the following year rose to 6.321,3.
See The European Year Book 1978, A World Survey, Vol.II, (London 1978), p. 1086.

Plans', 1962-68 and 1970-74.[1] The third Development Plan - 1975-80 - is in progress, and very little information concerning it is available.

It is not the purpose of this study to explain the nature or the details of individual projects and the total magnitude of planned expenditure, but the economic strategy and policy unifying the components of the plan. In the case of Nigeria's strategy it is remarkable to note that both Plans applied different slogans for national objectives, each having a separate concept in background which produced a quite different set of socio-economic problems at the end of each plan. In the First Plan the main emphasis was placed on i) rapid expansion of cash crop production, particularly for export, combined with a boost for export earnings from petroleum; ii) basic dependence on private investment - largely, though not totally foreign; iii) the adoption of project profitability on a relatively short run level as the basic criterion for the allocation of state investment; and iv) an acceptance of growth based on the present structure of production in response to market forces; and v) the concentration of state investment in infrastructure and in social welfare.[2] During the second Plan the objectives formulated after a three years civil war, were to reestablish Nigeria as i) a united, strong and self-reliant nation; ii) a great and dynamic society; iii) a just and egalitarian society; iv) a land bright and full of opportunities for all citizens.[3]

It is obvious from the policy objectives that during the second plan period a considerable importance was placed on social development by increasing public expenditure on education and health facilities in order to reduce disparity between different states and between rural and urban areas. However,

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1. National Development Plan, 1962-68, Apapa, Federal Ministry of Economic Development, 1962, and also see the Second National Development Plan, ibid., Lagos, 1970, Introduction.
2. Green, R.H., Four African Development Plans: Ghana, Kenya, Nigeria, and Tanzania, article in: Economic Policy for Development, ed. I. Livingstone (Harmondsworth 1971), pp. 398-399.
3. Second National Development Plan 1970-74, Federal Ministry of Information (Lagos 1970), see p. 32.

the impact of these measures on economic growth and employment situation on the one hand and on income distribution on the other, has been very unsatisfactory. It has been argued that "what went wrong in Nigeria's economic affairs in the decade before and after independence was not so much the formulation of development plans and policies, but the way and the manner in which those plans and policies were executed."[1] According to W.A. Lewis, the Nigerian planning policy has been defective because of the following reasons:

1) Inadequate programmes for the private sector. Large scale manufactury industry has received a great deal of attention;
2) inadequate participation of the public in decision-making;
3) inadequate machinery for implementing the public sector programmes;
4) inadequate evaluation, and finally,
5) excessive political intervention in the making of economic decisions, such as according priorities, awarding contracts etc.[2]

3.3.6.3. Growth of the Economy

It is evident from the available statistical information on aggregate economic structures prepared by Okigbo, and by the Federal Ministry of the Economic Department, that four significant features of the Nigerian economy over the period of 1950-60 came to light: i) that the Gross Domestic Product rose at an average annual rate of 4 per cent; ii) that the Gross Fixed Investment rose from 7 per cent in 1950 to 15 per cent in 1960; iii) that consumption was relatively constant at 90 per cent of the GDP, but government consumption increased from 3,4 per cent to 7,5 per cent, while private consumption declined from 87 per cent to 85 per cent of the GDP; and

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1. Ayida, A.A.,/Onitri, H.M.A., Reconstruction and Development in Nigeria (Ibadan: Oxford University Press, 1971), p. 9.
2. Lewis, W.A., Reflections on Nigeria's Growth, (Paris, O.E.C.D., 1967), pp. 37-39.

fourthly Gross Domestic Saving was relatively constant at 10 per cent.[1] It shows that Nigeria had a net export surplus in the early 50s and an import surplus in the late fifties. In other words, the increasing government fixed investment and consumption was financed from the past saving by reducing the foreign exchange reserves.

In the light of the above facts an examination of the performance of the first development plan shows that the actual performance was higher than the specified plan goals. It is claimed that the GDP measured in current factor costs increased at a rate of 6,7 per cent against the target of 4 per cent per annum during 1961-62 to 1965-66, but it is justified to believe that the actual growth rate was not so high because of two reasons: firstly due to a very rapid increase in oil output, which does not reflect the performance of Nigerian economy, and secondly due to extremely weak statistics.[2]

Because of the lack of a definite rate of increase in population, which lay somewhere between 2,5 to 2,8 per cent, when compared with the growth rate of the real Gross Domestic Product per capita, it shows a rise between 2 and 3 per cent of real per capita GDP annually.[3] Here it is important to note that this performance record is not appliable to the last two years of the plan period (1967-68), when the plan was interrupted because of the Biafra conflict.

A rapid structural change has taken place in production and composition of the GDP. Value added in modern manufacturing sector increased at an annual growth rate of 12,7 per cent (measured in 1962-63 factor costs); and the average domestic exports for 1964 and 1965, compared with the average for 1960 and 1961 show an annual rate of increase of 9,0 per cent. But taken as a whole, the growth in agriculture has been much slower than the other sectors, and yet food production has more

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1. Okuboyejo, N.A.A., Economic Development and Planning in Nigeria 1945-1968, in: Manpower Problems and Economic Development in Nigeria, ed. T.M. Yesufu, (Ibadan 1969), p. 8.
2. Dean, E., Plan Implementation in Nigeria 1962-68 (Ibadan, 1972), see p. 204.
3. Ibid., see p. 205.

than kept up with population growth, as evidenced by falling prices. According to the planning report estimation, agriculture growth remained static at about 2 per cent per annum over the period of the first plan, while its share of the GNP dropped marginally from about 60 per cent in 1960 to 55 per cent in 1968.[1)]

The performance of the Nigerian economy under the second development plan shows a further significant increase both in economic structure and sectoral components, while leaving agriculture, health and social services relatively far behind other sectors.

The manufacturing sector grew at an average annual rate of 9,5 per cent between 1973 and 1975, but this rate is likely to slow down in 1976 as a result of low oil revenues and higher costs of import goods; its contribution to the GDP is still relatively small (8 per cent). The average size of the industrial establishment shows that it employs not more than 140 employees.[2)]

The volumen of foreign trade has increased very rapidly, valuing about 271,6 mio Nigerian pounds in 1959, and in 1974 reaching 5,317 mio Nigerian pounds - mostly because of the crude petroleum as the country's principal earner of foreign exchange.[3)] The contribution of agriculture has declined from about 55 per cent in 1967-68 to 40 per cent in 1973-74, but still agriculture provided employment to about 70 per cent of the working population.[4)]

In spite of all this impressive development during the 1970-74 and earlier plans, their impact on the improvement of the general standard of living of the working force and the rural masses is relatively unsatisfactory, and the increasing number of unemployment in urban centres is a phenomenon of considerable socio-economic consequences.

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1. Second National Development Plan, 1970-74, Federal Ministry of Information, 1970, Lagos, see p. 104.
2. European Year Book, 1976, op.cit., see p. 631.
3. Ibid.
4. Ibid., see pp. 628-629.

3.3.6.4. Employment Problems

It is difficult to estimate the real size of the employed labour force from the available information and equally difficult is the estimation of the size and characteristics of the unemployed. But the foundation of growth in Nigerian economy is to be sought in the structure and fundamental aspects of the economy. There is sufficient evidence that during the past planning period concentration was put on the development of capital-intensive manufacturing by promoting indiscrete transfer of the production methods of the highly developed industrial countries; by low interest rate for investment in plants and favourable depreciation possibilities; by favourable exchange rates; and by special preference to prestige objects, irrespective of the national requirements and the technical know-how of the working force.[1)]

Along with these factors an important factor responsible for increasing unemployment is the increasing gap between rural and urban income, which intensified the situation in two ways. As W.A. Lewis explains,[2)] on the one side it creates "the co-existence of labour shortage in rural areas with unemployment in the towns." This is due to the gap between urban and rural income, as the statistical evidence shows, which has been rapidly widening by the policy of reducing farm income on the one hand and raising urban wages on the other, i.e. using 1950-52 as base year, the prices paid to southern farmers by the Marketing Boards decreased from 100 to 73 in 1962-63, while the minimum wage paid to unskilled workers over the same period went up from 100 to 297.[3)] This consequently led to a high rate of drift from rural areas to urban centres.

While it is extremely difficult to get effective statistical data on unemployment it is generally accepted that the level of unemployment is rapidly increasing. A study prepared by

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1. Berger, M., Industrialization Policies in Nigeria, (München Weltforum Verlag, 1975), see pp. 228-231.
2. Lewis, W.A., Reflections on Nigeria's Economic Growth, op. cit., p. 41.
3. Ibid., see p. 42.

the 'National Manpower Board' in the early 1963, shows that the rate of unemployed adults in big industrial towns varied from 10,6 per cent to 17,8 per cent of the total labour force, which means that about 15 per cent of the urban working population was out of work.[1] An estimate made in 1970 put the number of unemployed about 2 mio,[2] but the actual numbers of the unemployed are probably larger than the estimation.

3.3.7. Trade Union Activities

3.3.7.1. Political Activities

The nature of trade union activities in Nigeria since its origin has been highly political, as all important workers central organizations have been closely associated with one or the other political party.

There have always been those who favoured that workers should have their own political party on the model of the British Labour Party. Otherwise the socio-economic conditions of the countries were not comparable.[3]

At the time of origin the trade union movement, which was constituted as a powerful part of the national independence movement, split among many rival political groups in order to exert great influence not only on the working class but also on the general population for the sake of political power and vested interest of the particular section of elite groups.

Furthermore, the relationship between trade unions and political parties was supposed to develop into two different directions at the same time; first, to struggle jointly for self-government and for immediate socio-economic progress; secondly to make union leadership pursue its own interests for political gain. This naturally gave rise to the emergence of groupism that has surely its roots in the traditional society based on tribal, racial, regional and religious factors.

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1. Cohen, R., Labour and Politics in Nigeria, op.cit., see p. 56, table 2.8, reproduced from Urban Economic Survey, mimeographed, National Manpower Board (Lagos 1963).
2. See p. 187 in this study.
3. See Yesufu, T.M., An Introduction to Industrial Relations, op.cit., p. 146.

The most dramatic distinction between the Nigerian Central Trade Unions is based on their political activities and different political views. At present all the existing Central Federations are divided into two rival groups, one moderate, the United Labour Congress and the Nigerian Workers Council, (NWC), and the other radical, Nigerian Trade Unions Congress (NTUC) and Labour Unity Front (LUF).[1] According to Robert Melson, these two groups may be classified into a 'neutralist group' and an activist group' which differ on the basis of ideology, strategy and tactics, committment to poltical party and to a particular form of constitution.[2]

Soon after the formation of the National Council of Nigerian Citizens, all national groups among trade unions demanded NTUC to join the NCNC. A division into three different factions in the NTUC followed. One faction was headed by Imoudu, who supported direct affiliation, another, headed by Cole and Adebola, resisted direct affiliation, and a third faction favoured the joining of other political parties.[3] Since 1947, after the decision of the general council, the TUC became a regular member of the nationalist political party, a fact which led to the radical split at the 1948 Conference from the NTUC and to the setting up of political parties oriented to radical workers.

In 1950 regionalism was founded by a series of constitutional reforms, and the sectional interests and conflict between the North and the South intensified, which caused a split among the trade unions on the basis of regional interest, which until then had been unitarian in its outlook.

The moderate wing of the Nigerian Labour Movement tried to establish a new Nigerian Labour Congress in order to overcome the regional political stresses within its ranks, but despite its full association with NCNC, within a year the labour NCNC alliance broke down.[4]

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1. Lynd, G.E., The Politics of African Trade Unionism, op. cit., see p. 121.
2. Damachi, U.G., Social Change and Economic Development in Nigeria, ed. (New York, 1973), see pp. 120-121.
3. Ibid., see p. 122.
4. Damachi, U.G., op.cit., see p. 124.

The development of two other regional political parties by 1950, the Action Group in the West and the Northern Peoples Congress (NPC) in the North changed the political situation, and the NCNC, and the Zikist movement, a radical political body, supporting the regionalism, has lost their influence among the labour movement at least for the time being.

The period between 1950 and 1960 has experienced basically three different tendencies with regards to party-union relationship: a) the feeling of disenchantment with the established political parties, which resulted in the formation of the Nigerian Labour Parties, b) the second tendency manifested itself into a formal commitment to non-partisanship, and c) one national labour body, NFL, was partly created and maintained by the political party, which became a faithful servant to the policies of the NPC.[1)]

Because of the lack of horizontal division into the working class and other social classes, which did not get recognition because of different social,economic and racial division of the Nigerian society it was not possible for any political party to obtain support from all diverse groups with conflicted interests. These in turn have achieved more or less a limited local influence acting as pressure groups including trade unions as well as the labour parties speaking for the organized workers.[2)]

The attainment of independence in 1960 intensified the eagerness to control and monopolize the machinery of the central government which provoked rivalries among one ethnic group against another, and one region against the other and did not end before the end of the civil war in the early 1970, after successive military coups and various attempts of the separatist agitations involving the trade unions, which in most cases were concentrated on regional and ethnic politics in order to gain their influence in the political decision-making elite.

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1. Cohen, R., Labour and Politics in Nigeria, op.cit., see pp. 99-100.
2. Yesufu, T.M., An Introduction to Industrial Relations, op. cit., see p. 147.

The ideological conflict spread out since 1960 was directed by radical groups like the Nigerian Socialist Group, 'Zikist Movement' and the Nigerian Youth Congress. The formation of the Marxist Socialist Workers and Farmers Party (SWAFP) in 1963, led by a Yoruba intellectual, Tunji Otegbeye, who got his support from the radical sections of trade unions, whose members were more active in political functions than concerning the economic interests of the workers.[1] These groups and other individuals who within a very short period wanted to turn the Nigerian society into a socialist society, and their 18 point programme died only after a few weeks following the first military coup.[2]

The political activities were banned practically soon after the end of civilian government in the early 1966, but during the second military coup of July 1966, which led to disintegration in the trade union movement, and was followed by a civil war, the Federal Military Government proclaimed an anti-labour legislation, under which "it became an offence, punishable by up to five years imprisonment, to threaten, organize or even to do an act preparatory to organizing a strike."[3]

The trade union movement itself was torn by internal disputes on the political development during these crisis. However, the Federal Military Government recognized the four existing labour bodies, while the restriction was imposed on the use of union funds for political purposes since 1973,[4] and a very limited role was assigned to remove the grievances of their members.

3.3.7.2. Trade Union Wage Policy

Despite the carefully established institutional setting and the avowed commitment of all the parties concerned, voluntary

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1. Cronje, S., The World and Nigeria - The Diplomatic History of the Biafran War 1967-70, (London, n.y.), see pp. 265-66-
2. Damachi, U., Social Change and Economic Development, op. cit., p. 132.
3. Cronje, S., op.cit., p. 272.
4. Africa Contemporary Record, (London 1974), Series, XI, 1973-74, p. B 737.

collective bargaining has failed to work as a significant mechanism for wage fixing, and wages have been determined by the independent commissions, in which neither workers nor employers have been represented in Nigeria. The trade unions have played a significant role only in the way that their activities have been primarily directed to bring political pressure on the government and bear little or no relation to collective bargaining.

It is remarkable to note that throughout both colonial rule and self-government, the government all along played a passive role; no minimum wage legislation has ever been extended to the private sector, and the wage policy in general has restricted itself to the public sector.[1)]

Because of the peculiar conditions of the Nigerian labour market, where unskilled labourers constituted about 70 per cent of the total wage-earners, there is a large difference between the wages received by unskilled workers and the salary received by the skilled workers on the one hand, and difference between the wages of the Nigerian-owned private firms and the wages of the foreigners owned private sector on the other.[2)] The Nigerian firms pay 25 to 40 per cent less. In addition to that there are regional and sectoral variations between the wage-earning sections, which explains the complexity of the present wage structure in the country. The level and behaviour of wages and salaries did not reflect relative scarcity of labour skills and unlimited supply of the unskilled workers.

The fact of the wave of the early political rivalry since the early 1950s and the fact that the industrial workers in urban areas were politically of far greater importance than their relative number, constituting a powerful force for securing governmental control through election, as well as the

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1. Weeks, J.F., Wage Policy and the Colonial Legacy - A Comparative Study, in: Journal of Modern African Studies, 9,3 (1971), see p. 378.
2. Cohen, R., Labour and Politics in Nigeria, op.cit., see pp. 188-190.

fact of the humanitarian resentment against the colonial wage level, led to rival ruling of the political parties in different parts of the country, causing regional variations through raising of the minimum wage rate successively well above the equilibrium level. Because of lack of any compulsion upon the private sector there existed a great wage disparity in the public and private sector. It is remarkable to see that daily-paid and semi-skilled workers get lower wages in the private sector than their counterpart in the public sector on the one hand, and on the other that skilled and qualified workers received higher wages in the private sector than in the public sector.[1)]

The situation has become even more adverse, because of the fact that the private sector offered a more rapid expansion in employment opportunities for the skilled workers, whereas the competetive higher wage rates in the private sector often caused industrial unrest, due to the relative strength of the trade unions, which repeatedly demanded an equitable wage rate from the public sector.

From the data available it can be concluded that during 1951 to 1970 the real gain of the Nigerian workers increased more rapidly in the organized sector, whereas the situation has been adverse in the unorganized sector, where the gain has actually lapsed. It must be noted that the money wage has gone up faster as compared with the real wage index, a fact which justified the argument that the trade unions have laid higher money-wage claims without any increase in the productivity of labour.[2)] The government's wage decisions, which mostly have been the dominating factor in the wage bargaining process in Nigeria, especially since independence, have caused: i) ideological or moral sentiments, related to social justice; ii) response to unorganized dissatisfaction, manifested by rioting or demonstration; iii) pre-emptive increase designed to

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1. Ayida, A.A./Onitiri, H.M.A., Reconstruction and Development in Nigeria, op.cit., see p. 424.
2. Phillips, A.O., Determinants and Structure of Industrial Wages in Nigeria, in: The Nigerian Journal of Economic and Social Studies, see pp. 327-335.

assuage possible political dissent; iv) attempts to win friends for the ruling groups among the workers and trade unions; and v) direct trade union pressure.[1)]

Table:[2)] Index of Money and Real Wage Rates for Unskilled Workers in Nigeria 1951-1968. I (1951 = 100). II. 1953 = 100.

Year	Consumer Cost of Index	Money Wage Index I.	II.	Real Wage Index I.	II.
1952	n.a.	124	n.a.	132	n.a.
1953	100	129	100	133	100
1954	105	140 (148)	109	137 (145)	104
1955	108	186	137	175	127
1956	117	186	137	160	117
1957	119	186	137	160	115
1958	119	186	137	160	115
1959	124	201 (210)	137	166 (174)	110
1960	132	233	171	182	129
1961	139	233	171	171	123
1962	145	233	171	165	118
1963	145	233	171	165	118
1964	148	303	171 (221)	212	139 (150)
1965	153	303	221	199	144
1966	167	303	221	186	132
1967	162	303	221	194	137
1968	165	303	221	191	134
1969	179	n.a.	221	n.a.	123
1970	196	n.a.	221	n.a.	112

note: the calculation of real wages and money wages index based on two different base-years, 1951 and 1953, as indicated under I. and II. shows big discrepancies due to the statistical composition, and the dual rates indicated in 1954, 1959 and 1964 are due to the retroactive wage awards made in those years.

It is obvious from the above table that money wages under both calculations have more than doubled during the last two decades, whereas the real wages show a similar trend at a

1. Cohen, R., Labour and Politics in Nigeria, op.cit., see p. 197.
2. Weeks, J.F., Wage Policy and Colonial Legacy - A Comparative Study, op.cit., see p. 384 and also Cohen, R., op.cit., p. 192.

higher rate of increase under the I. calculation and a lower rate of increase under the II. calculation, as compared to the changes in the consumer price index during the same period.[1)]

Despite big controversy over the demonstration effect of the wage determination and the trade union pressure through political influence, it is justified to believe that the trade unions have forced the governments to set up a wage commission in nearly all cases, which makes a direct relation between trade union pressure and government's respons believable.

Regarding the wage structure in different sectors of the economy, the earning of the rural workers in agriculture is lagging far behind their counterpart in the industrial sector, which usually shows a gap in real earning of more than two to three times. The present experience shows that the differences between traditional cultivators and industrial wage earners are increasing even faster, reflecting not only the strength of the urban organized labour force, but also its socio-economic privileged position as in a study made by W.A. Lewis: "in Nigeria unskilled urban wages are much more than twice a farmer's income."[2)]

This is the main reason why the rural working force migrates to big cities, and the urban unemployment is bound to continue growing until the trade unions take a stand against this differentiation of earnable incomes in agriculture and industry.

.7.3. Social Activities

The trade union contribution in the field of social welfare is very minor in Nigeria, which may be explained by the policies of the central workers organizations toward matters like

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1. Cf. table p. 242. It is important to note that the money wages have been constant during 1955-1959 and during 1960-64.
2. Lewis, W.A., Reflections on Nigeria's Economic Growth, op. cit., see p. 42.

medical and health facilities, housing and social problems of industrialization and urbanization.

Despite the cooperation of the Labour Welfare Department from time to time, trade union centres are not fully conscious about their responsibilities towards their members and it is considered that the state as well as the employers are responsible to provide all these social welfare benefits to their employees. It is beyond doubt that these services could not be provided alone by the trade unions, but trade unions are supposed to take active part in all these branches in order to take initiative to provide, within their capacity, basic and necessary social services to their members on cheap rates, which could awaken the importance of unionism and make the workers more conscious and committed towards industrial life.

In the field of workers education a significant progress has been achieved with the help of international trade union organizations, but the capacity and privilege for a few individuals remains a basic hindrance in the way of mass mobilization through workers education and training in order to organize the working force into a more productive and efficient labour force.

The institutions developed for this purpose enjoy a great theoretical value, but in practice their purpose has not been more than to educate a very limited number of trade unionists in Nigeria. The latter in most cases either left the trade union movement and joined the civil service, or used trade unions as their primary stage for the achievement of political ends.

The major problem of the Nigerian trade union movement is the old traditional form of society, whose structure generally consists on village economy and small scale trade and commerce, mostly dominated by a tribal set-up of society, which itself did not permit any modernization required for social and economic development.

The trade union organizations acted as a substitute of tribe unions in the village as much as in the towns in respect of guarding the interests of agricultural and industrial workers. This involved diversification of tribe representation, which in its turn reduced the role of the tribal chief, who still

has some indirect influence on his tribemen and who was very often elected by the workers as their representative.

The argument that trade unions are facing a competition with the tribal association seems to be more relevant in the case of Nigeria, where the trade unions are generally understood as political associations, and the tribal associations as organizations which guaranteed social and economic benefits to their members.

3.3.7.4. Nigeria and the International Labour Movement

During the pre-independence period, the British Trade Union Congress (TUC) assumed a protective responsibility, and served as an intermediary in strikes and at the time of crisis. It also provided educational assistance and occasional contributions of money and equipment to run the trade union activities in Nigeria. On the other hand the left-wing leaders who sought contact with the communist and military groups got associated with the trade union led by the British Communist Party and with more orthodox labour party members and other student groups opposed to colonialism.

Soon after the formation of the ICFTU, the protective assistance was extended to it. The ICFTU played an important role in later years, especially after independence. All the four major national trade unions are having affiliations with different international labour bodies for the assurance of financial support, patronage, and educational facilities through scholarships which enabled many trade union leaders to travel abroad.[1)]

The moderate trade union central organization United Labour Congress is affiliated with the ICFTU, whereas the equally moderate Nigerian Workers Council is associated with IFTUC. On the other hand the left-wing federation Nigerian Trade Union

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1. Lynd, G.E., The Politics of African Trade Unionism (New York, etc. 1968), see pp. 123-124.

Congress is associated with the All African Trade Union Federation, and in addition it maintains close contact with the WFTU and its members both inside and outside the bloc. The Labour Unity Front is formally independent, but its leadership has been mostly associated with left-wing AATUF and also with the international communist labour movement.[1)]

This affiliation of national organizational centres with different international bodies often caused a split in the unity of the Nigerian trade union movement, which caused some sort of cold war among the different national trade union centres, despite the fact that this association and the support given by the international organizations enabled them to preserve a measure of union autonomy and undertake union activities under strong political influence of an ideological nature.[2)]

There are several reasons for this very diverse ideological affiliation of the Nigerian trade union centres, such as: the weakness of the political system under which the unions operate, the strategic position of the unions, their position outside the union structure and propaganda, which explains the strong political attachment.

ICFTU and ILO also have provided significant support in the field of education and training with the active assistance of AFL-CIO and the DGB (German Trade Unions Federations), and most of the trade union leaders received their training in various programmes organized by the ICFTU African Labour College, Friedrich-Ebert-Stiftung in West Germany,[3)] and in the Trade Union Institute Programme established with the active support of Afro-American Labour Centre in Nigeria.[4)]

In the competition against ICFTU and other Western trade union organizations, the Soviet bloc and other communist organizations, WFTU and AATUF for important prestige reasons have

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1. Lynd, G.E., The Politics of African Trade Unionism, op.cit. p. 138.
2. Cohen, R., Labour and Politics in Nigeria, op.cit., pp. 250-251.
3. Lynd, G.E., op.cit., see p. 123.
4. Cohen, R., op.cit., see p. 126.

supported their allies in Nigeria to gain influence in the Nigerian economy. It was reported that "Russia was said to be subsidizing the NTUC at the rate of at least 30.000 Nigerian pounds a year. Moscow was also financing the Nigerian Marxist newspaper, Advance, which used to be the organ of the Marxist-Leninist Socialist Workers and Farmers Party, but which had passed to the NTUC and became a most influential paper in Nigeria."[1] Also with the support of Soviet money the NTUC has established the 'Patrice Lumumba Labour Academy' to train and educate the workers and union leaders. Another project was proposed with the assistance of IFTUC, to establish a labour college to facilitate the workers' education and training.

The experience shows that the competetive relationship between the different national union centres has politicized union affairs in a more intangible way, and the national leadership has become mostly interested to receive financial support, while paying little or no importance to the communist or non-communist nature of his donors because of their own political and economic difficulties.

3.3.8. Summary

The struggle for national independence gave the initial direction and character of the Nigerian Labour Movement which in the first place was simply an arm of the national movement for independence.

The political dimension of trade unionism clearly demonstrates that the trade unions have been a close adjunct to political parties. The left wing radicals entered the trade union movement not with the primary objectives of promoting the workers interests but to use the unions as instruments of class struggle for social revolution.

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1. Cronje, S., The World and Nigeria, op.cit., see pp. 269-270.

Since independence several conflicting political groups have been competing steadily for the control of organized labour. The majority of elements in the trade unions has been led by moderates and radicals, more or less equally powerful sections during this period.

The continued political turmoil and relative lack of government control over unions during and after independence has tended to encourage splintering of the individual local unions as well as the national labour confederations. Rival unions were created by the professional and political leaders, and in this respect they were motivated by the goals and needs of their political parties rather than of their trade unions.

Nigerian management has often been resistant to dealing with unions as an interacting system, which encouraged unions to look upon political groups for support. Employers usually seek to avoid implementing legal victories on the unions.

The great majority of the working population who lived and worked on the land is largely pagan with old traditions and mostly illiterate. They have little or no participation in the civic life of their nation. Their loyalties are mainly to their local tribes or linguistic groups rather than to any institution of wider scope.

The fact of surplus labour in Nigeria does not mean that it still is cheap. Indiscipline and poor performance are partly the consequences of inadequate managerial policies and legal requirements which limit managerial flexibility in utilizing labour.

Because of long political disturbances, after the suspension of the First Republic in Jan. 1966, the military government made it exceedingly less favourable for the labour movement to exist. Since then most of the time it has led a struggle for its existence and has never been very strong.

The second military regime of July 1966 showed indications of opening a whole new phase in the history of Nigerian organized labour. Not only did it adopt a reserved if not hostile attitude toward all trade union elements existing at the time, but it also promised fundamental changes in the country's economic and social system. These changes, if carried out, would create entirely new conditions for organized labour, but they still remain a hope. A new military coup occurred in 1976, and the fulfillment of the remaining task rests on the present military administration.

4. Comparisons and Conclusions

4.1. A Comparative Analysis of the Trade Union Structure, Function and Activities in India, Pakistan and Nigeria

4.1.1. Structural and Organizational Differences

The structure of the trade unions has a powerful and exclusive influence on the development of the trade union movement, as well as on the very formal organization of the trade unions themselves. The existing ideas about the structure of trade unions like the idea of industrial unionism or the idea of a single union for all workers in one industry have enjoyed widespread support in most highly developed countries. But these ideas are inapplicable to developing countries, especially the three countries under discussion, as unions present a structure varying with the transformations of the trade union movement.

It would appear from the foregoing discussion that in India a very small part of the working population, about 9 per cent of the labour force, is working in factories, representing about 17 mio. About 6 mio workers are organized in more than 19.000 trade unions. It must however, be added that the industrial labour force in India is mostly concentrated in the areas of seven states, which counted about 72,8 per cent of the industrial labour force and constitutes a well organized section of the population among the unorganized masses, out of which about 60 per cent of the labour force are government employees. This shows that the government has a most powerful dual role, as an employer, as an administrator and has a sole responsibility for better working conditions and improved industrial relations in India.

There are different types of unions in India, such as single craft, occupational, and general type unions. The most common form is the 'industrial Union' which does not represent all occupations in an entire industry, but only in one factory or on plant level, generally called 'one-shop variety', a most typical organization which has a very narrow jurisdiction.

The organizational structure is based on three different levels: Plant, State and Central Organization. It is notable that many local unions as well as state unions are not affili-

ated with central organizations, rather they are independent and the lack of organic relationship between different parts creates organizational problems at all levels.

National organizations have two types, i) National Federation, and ii) Federations of unions in particular industries and professions.

The trade union movement in India is not united, but divided in four different central federations on the basis of ideology and political leaning, represented by AITUC, INTUC, HMS and UTUC.

AITUC, the oldest central organization, created in the early 1920 by the whole political section - Nationalists, Socialists and Communists - has a very loose structure, lacking in discipline and unity of purpose, dominated by the Indian Communist Party. AITUC was the only recognized labour organization in India before independence. AITUC organized a significant section of the working population with the aim to establish a socialist state in India.

Soon after independence, the ruling Indian Congress Party established INTUC as an alternative to the left-led AITUC, with a motive to strengthen the hands of the government with the help of contended labour, which in most cases in national and political matters treats the National Congress as its supreme body. Since its formation INTUC became very influential in government circles, but its power seemed temporary because of the political elite rivalry among the National Congress and its own leadership.

Moderate socialists along with the Indian Congress Socialist Party sponsored another national federation - HMS - on the line of class struggle, using it as an instrument for social change, which led to the establishment of a democratic Socialist Society, whereas UTUC stands for the creation of a workers' and peasants' state in India, representing all three sections of the revolutionary groups - having wider doctrinal differences in the real sense. And it is worth noting that HMS and UTUC are relatively poor in numbers but well organized and enjoying a considerable influence among the lower section of the working population.

In Pakistan, on the other hand, organized industries employed only about 3 mio of the working population which repre-

sents not more than 35 per cent of the non-agricultural labour force, out of which only 1/4 of the labour force is organized in a small local union, representing some 750.000 workers organized in more than 7.000 unions.

In Pakistan trade union structure has developed on a 'plant basis', which shows that as many trade unions were organized as the number of employers in an industry, or branches in different localities existed. The present structure shows that the local unions are mostly confined to workers of one company or establishment, without regard to skill and occupation, which represents a more weak and ineffective union situation, especially in the matter of workers' representation, as they enjoy very little influence outside their areas of operation.

The analysis shows that the trade union movement is represented by various central and regional federations, to which most of the local unions are formally associated.

The Pakistan Federation of Labour, and Pakistan Trade Union Federation, the oldest central organizations, were organized by the left-wing leaders, with an aim to create a class conscious proletariate, which until 1951 dominated the trade union movement, and after the prohibition of the Pakistan Communist Party, these organizations ceased to exist. Since 1969, soon after the downfall of the first military regime, these federations have been active in the country, but the left-wing labour front is very limited, as well in its numerical strength as in their influence on the national level.

Similar to India, the ruling Muslim League established an All Pakistan Confederation of Labour in the early 1950, in order to compete the challenge of the left-wing trade unions, and strengthen the hands of the ruling party in order to achieve economic and social goals for national development, but because of the factional rivalry among leaders of the ruling party, which split into many 'Muslim Leagues', APCOL became independent of the party influence. Since its origin, APCOL enjoyed a dominant position until 1962, when two new federations, i) Pakistan National Federation of Trade Unions; and ii) All Pakistan Federation of Labour, were established by the moderate labour leaders with an aim to achieve economic benefits through collective bargaining. It is remarkable to note that trade unions in Pakistan are non-party alligned.

In Nigeria, about 6 per cent of the working population are engaged in the wage-earning sector, which represents even less than one per cent of the total population, out of which about 660.000 wage-earners are organized in more than 800 unions. A large number of wage-earners are employed in small firms employing less than ten workers, who are not represented because of their working environments and the size of their employers.

In the case of Nigeria, the 'House Union' is the most predominant structure of the local unions, which does not tend to represent a specific category of workers employed in an industry. Because of recent industrialization it seems typical that many small unions, purely local in character, are operating within a tribal structure.

The trade union movement in Nigeria is represented by four central federations, and in addition to that there are various regional groups among the working class.

The Nigerian Trade Union Congress and the Labour Unity Front are basically dominated by the radical left-wing leadership, which supported the nationalization of all natural resources and public utilities and establishment of a labour party in order to use the socio-economic interest of the working people as a political base. Since their origin both organizations have enjoyed a strong influence among the workers. NTUC is formally associated with the Marxist Party 'Socialist Workers' and Farmers' Party', whereas after the formation of the first republic of Nigeria the Labour Unity Front has been operating its own 'Nigerian Labour Party' until 1966, as the trade union activities were restricted under the military government which took over in July 1966.

On the other hand, the United Labour Congress and the Nigerian Workers' Council are basically dominated by the moderate leadership. Since their origin both organizations are active to establish an independent trade union centre after the British model in competition with the more radical elements. It is evident that the national leadership of the moderate trade unions was identified with the nationalist political party, namely the National Convention of Nigerian Citizens, whereas its regional leadership and staff officials belonged to other parties.

From the foregoing analysis it is obvious that a similar political climate of all three ex-colonies, and the more repressive attitude of the colonial administration has in turn called for extre-

mism on the part of many nationalist and radical political leaders and parties, which formed more radical trade unions. Another similar factor is the presence of regionalism and communalism, used by the British to encourage rival political groups, stemming the growth of a unified leftist trade union movement in all these countries, which played an important role in national independence.

The working force usually has migrated from the rural areas, and because of intolerable work and living conditions in most cases the workers left their families in villages. Their temporary nature of residence compells them most frequently to return to their homes. Consequently, a significant part of the working force does not take any active part in the unions. Another similar factor among the labour force is that they are predominantly illiterate, and there is a great heterogenity among them because of tribal, regional, lingual, social and traditional differences, representing a very low degree of integration among the working population, which in turn represents a very low degree of unionization.

.1.2. Similar Industrial Relations System

The detailed survey of the prevailing industrial relations systems in the three countries shows that the authorities considered that industrial peace is possible only through a system of tribunal and industrial courts, a system generally known as compulsory arbitration. It must be added that conciliation is voluntary for the private sector and compulsory for the public in India and Pakistan. Only in Nigeria voluntary conciliation was practiced till the military take-over in 1966 and since then conciliation is compulsory for both sectors.

This system was borrowed from the war time emergency measures of the colonial government, and since independence very few efforts have been made to try collective bargaining seriously. It is remarkable to note that this system of 'compulsory arbitration' has affected the democratic process between trade unions and employers, and industrial peace and discipline more adversely. The atmosphere during the tribunal proceedings, which sometimes take years, is not better than prevailing in a criminal court, and the prestige that goes with winning the case often affects the behaviour of the parties to the dispute.

In India as well as in Pakistan, trade union activity was legalized under the Trade Union Act (1926), without the right of collective bargaining, while providing no compulsory provision of the recognition of trade unions, and it has been found that long after independence no changes took place in the status of trade unions until 1960, when Pakistan adopted a compulsory provision of recognition of the unions.

In India, the Indian Labour Conference adopted a Code of Conduct in 1958, in order to deal with the problem of union recognition, but despite these measures, the problem has remained because of the multiple unions and due to the attitude of the employers who in most cases are reluctant to see any value in the trade unions.

In Nigeria, a similar Trade Union Act, 1938, authorized the existence of workers' unions, while giving freedom of choice to employers in the matter of recognition of unions which until independence caused exploitation of the poor workers when the popular government brought a promised improvement in the colonial labour legislation.

Industrial disputes are very frequent in all three countries on the matter of wages, bonus, living and working conditions, which even more after independence represent an increasing trend, while showing more aspiration for organized activities and unions' vast strike consciousness mostly because of the socio-economic discontent of the poor masses.

In India, after independence more restrictive control had been imposed on strikes through compulsory legislation. Especially after announcing the socialist pattern of society the labour legislation prohibited strike-rights in the public sector, and the government was empowered to refer industrial disputes to the courts for conciliation and adjudication.

A similar situation has been prevailing in Pakistan, where the Industrial Dispute Act, 1929, did not allow the right of strikes in public utility services, and it was made compulsory that industrial disputes must be referred to permanent Industrial Courts provided for this purpose under the Industrial Relation Ordinance, 1969.

In the case of Nigeria, the Trade Dispute Ordinance, 1941, provided three options in order to deal with industrial disputes: i) conciliation; ii) arbitration with the consent of both parties;

and iii) by appointment of the Board of Inquiry. But the colonial labour department had been using the government statutory machinery more frequently to bargain on industrial matters. After independence, this system continued until 1966, when the military regime introduced the 'compulsory arbitration', while since 1970 introducing the Industrial Arbitration Tribunal.

In order to promote collective bargaining, and to improve the ralationship between employers and workers, in India many institutions have been established by the government since independence, like e.g.: i) tripartite conference; ii) joint consultative Boards; iii) industrial committees; and iv) working committees; but because of multiunions and friction among the union leadership they did not help the matter, and most of the institutions like work committees or joint management councils, are dominated either by a section of a particular group or by the 'yesmen' representing the employers.

Similar institutions have been established by the Pakistan authority on the pattern of British India, like: i) bipartite executive bodies; ii) labour advisory Boards; iii) workers committees; and iv) management committees. These institutions are obliged to consult worker representatives on matters of mutual concern, like: legislative and administrative matters; promotion policy; welfare and social activities. But in the above study we have shown that since independence the country has not been able to follow a democratic path with regards to socio-economic matters, because of the colonial heritage, mass illiteracy and the authoritarian attitude of the employers, a large hinder in the progress of the trade union movement.

The Nigerian experience shows that the 'departmental committees' in the private sector and the Whiteley Councils which were later renamed as Joint Consultation Committees, in the public sector, represented the colonial structure. In most cases these committees were manipulated by the employers who believed that to consult workers would affect them negatively, if management plans for improvement should be subjected to criticism by subordinates. This sort of attitude of the management has in turn called for more radical labour leaders to form more militant and political unions.

In general, however, the legal framework provides only a narrow background leaving much scope for management in these

countries, which dominates the climate of industrial relations, and that is the reason which bounds the unions to depend on government support for their survival. In one sense, it is true that many trade unions perform a grievance handling function, but in most cases unions have become a 'legal service' in order to get government defined benefits from their employers.

4.1.3. Character of Union Leadership

The previous analysis shows that there is absolute absence of adequate leadership of the rank-and-file workers because of various reasons, most important of which are the lack of education, fear of victimization, lack of legal protection against being fired, lack of job security, and last but not least the language problem, especially in the case of India, where the most common spoken language between South and North is English.

Another similarity on the leadership issue is that the majority of workers are extremely dependent upon their union leaders, expecting them to resolve all their difficulties and they are ready to follow them no matter where they lead the workers.

It has been pointed out that union leadership is mostly dominated by politicians, partly by their own and partly by party interests. In the case of all three ex-colonies this is due to historical reasons, all these men were fighting for national independence, and most of them now are dominating the trade unions.

In addition to that, a similar middle class group including teachers, civil servants, physicians and lawyers is dominating the union leadership, and it must be noted that most of them are uninterested in workers' problems because they do not belong to the working class. Besides most of them are lacking a real concept of the trade union functions and responsibilities towards their members and towards the society as a whole.

In the case of Nigeria and Pakistan, there is a small number of professional leaders who did not represent the working people, but devoted themselves to the workers' cause, having a long militant experience in the history of unions. Despite the fact that the old leadership has lost its popularity, their hold is strong even today, especially in Nigeria. Most of them simply have a primary educational background, whereas very few belong to the bureaucrate elite with a significant education even abroad.

There is considerable evidence that the politically motivated leadership has done very little for the well-being of the working people; it has striven mostly for the advantages of its favoured political parties to be able to achieve political strength and popularity, especially in India and Nigeria.

In the case of Nigeria, a small group of men go about organizing small trade unions in order to raise their personal income, while becoming their paid officials. Especially in India, the desire for holding a union office led to the formation of rival unions and inter-union rivalry among the leadership, which in turn more frequently has called multiplicity of unions. Moreover, it is worth noting that the prevailing legal framework permits only five workers in Nigeria, only seven workers in the case of India and Pakistan to form a trade union. Under these conditions it is well adapted to taking advantages of workers' performance for giving loyalty to a leader, rather than to an organization.

Another similarity has been shown in this study, namely that most of the leaders under different capacity represent many unions at the same time, which especially in India and Nigeria reduces their effectiveness and easily leads to a more self-serving and potentially corrupt union leadership. The union leadership has directed its attention from union building activities to legal activities, because under the present legal framework, union leaders spent more time in the courts than among their members. Consequently the basic elements of legal rights are provided by law and not by loyalty of the members or their unions.

Role of the Government

From the foregoing discussion it would appear that the labour policy and the labour legislation of the governments dealt with are considerably responsible in shaping the trade union structure and management relations on the one hand, and in directing the nature and degree of freedom from government control, especially from the superimposed system of compulsory labour courts on the other hand.

1. In India, the policy of the colonial government generally was formulated with two ends, one to provide minimum legal protection, and the second to ensure that the labour management conflict did not overtly disturb political security. In order to

achieve national stability, trade unions were given a nominal representation in the Indian Labour Conference, while giving an opportunity to overcome labour grievances with mutual discussion on an all party basis.

After independence a shift has taken place because of the economic planning in the labour policies since 1951, under which the state was empowered to take legal power through the Labour tribunals, and it was declared that strikes and lock-outs have no place under planned economy. Because of the limitation and restraints imposed on union activities soon after independence the number of industrial disputes was reduced between 1952-54, but in turn these policy measures caused more extremism and expansion in revolutionary ideas among the trade union movement in the country.

After the adoptation of the principle of a 'socialist pattern of society', in order to get a better cooperation from all sections of the population for the sake of achieving the planned aims the Congress Government forced the idea to reshape its labour policy on dual patterns, while enforcing mutual and voluntary arbitration in the private sector and compulsory arbitration in the public sector. But there is sufficient evidence that the well established government institution has in most cases manipulated the situation through a more active intervention by restricting trade union activities not only in the public sector, but also in the private sector, which in turn has caused more rapid industrial unrest and mass protest movements in later years.

The proclamation of 'National Emergency' in 1975, on which followed a total bann on all strikes and lock-outs, with the argument that the working class and their organized power has to be used for rapid economic growth, on the one hand proved the evidence that the Congress government labour policy was not oriented towards independent trade unions. On the other hand the defeat of the Congress Government in the 1977 election shows an increasing strength of the politically oriented trade union movement in the country.

2. In Pakistan, where the industrialization process started after independence, during the early industrial development stage the government was little interested to support the trade union movement. On the contrary, the government was anxious that trade

unions should hamper industrial development through unnecessary strikes. Few steps were taken to secure the just rights of the working class. Because of political turmoil in 1951-58, under which the government seven times changed from hands to hands, trade unions were mostly exploited by different interest groups for their political purposes.

Soon after the military take-over, all trade union activities since 1958 were restricted. More suppressive measures through labour legislation were introduced in order to establish industrial peace. Industrial Courts were authorized unlimited power, while their awards were considered final and not to be challenged in any court of law. There is a lot of evidence from the facts that this suppressive and restrictive measures caused more industrial unrest reaching its peak during 1968-69, taking the form of a revolt against the prevailing economic system and against the Ayub's military regime.

The second military regime which lasted until 1971, introduced a minimum wage rate for the unskilled worker, which to some extent satisfied the grievances of the workers, but still very little improvement was made under the prevailing industrial system. The prevailing socio-economic disparity led to an inter-regional conflict that ended with the separation of the Eastern part of the country in 1971.

Bhutto, after getting into power, introduced his 'New Deal for Labour' in 1972, recognizing the fundamental rights of the working people, such as: the right of participation in management (up to 50 %), the share of workers in the annual profits; improving of the decision making machinery by appointing one man labour courts, and introducing the social security scheme and the education facilities for the lower section of the population. But the anti-union attitude of the employers and the political pressure of the trade unions forced the Bhutto government to select a mid-way; supporting the one and leaving the other for immediate political interests since 1975 consequently led to a political and economic chaos. In addition, the alligation of the election in March 1977 against the Bhutto regime which followed the serious political unrest in which the trade unions also were most active, in turn caused the military take-over in July 1977, and since then all trade union activities have been prohibited in the country.

3. In the case of Nigeria, the colonial government's labour policy was neither based on complete laissez-faire nor on total state direction. It was rather the intention of the colonial regime as well as of the self-government that industrial peace must be achieved through voluntary negotiation and collective bargaining, giving preference for consultation and discussion among all three parties, unions, employers and the governments. But a similar political chaos among different interest groups was supported by their trade union wings, and the alligation of election regging in 1964-65 ended after two successive military coups in 1966.

The Nigerian military government established a federal Labour Advisory Council, restricting all trade union activities in order to overcome the grievances of the workers. Soon after the prolonged civil war (1967-70), the military government revised the wage-claims by appointing a Wages Review Commission to satisfy the working class. There is sufficient evidence in literature that the Nigerian military government has very often responsed to the due demands of the unions by appointing special Inquiry Commissions, despite putting trade union activities under restrictive control.

4. It is obvious from the analysis of the labour legislation that all three countries have more or less similar labour laws, generally formed on the British Common Law tradition, most of them being introduced in the footsteps of British labour legislation. Practically all of them with little change are still under practice. The most common feature of the prevailing legal framework shows that the motive behind them has been to provide minimum protection, health facilities, and compensation in the case of injuries simply for the sake of order and security, rather than labour welfare and social justice.

It must be added that since independence very few measures have been taken to improve the socio-economic well-being of the poor working masses, partly because of the low priorities to the social sector in the development policies, and partly because of the lack of trade union support for the socio-economic development as a whole.

Another similar point is that in all three countries the present labour legislation did not provide legal protection to all sections of the working population, rather it covers a small mi-

nority of about 20 to 30 per cent of the working population generally engaged in the industrial sector, leaving all perennial factories, small and cottage industries, and the mass agricultural working force out of the scope and content of labour legislation.

4.1.5. Socio-Economic Conditions

Since the economic characteristics of developing countries are the primary domain imploring the phenomenon of economic development, a justification for selecting the main economic indicators for this study includes the most common variables that represent the major characteristics of socio-economic structures of all three countries such as: low per capita income; heavy population pressure; predominance of Agriculture; a very small industrial sector; large unemployment and underemployment; a low level of technology; increasing mass poverty and uneven income distribution.

While considering a continous rise in per capita real income over a long period, indicating economic growth in the sense that such increase should be larger than the rise in population, one may distinguish between underdeveloped and developing countries. Or in other words, that country is a developing country, where per capita has started rising, though not for a long period, and where underdeveloped resources are being developed through capital investment, improvement in technology, and/or improvement in human capital through education, training, change in institutions and attitudes. In this sense, all three countries under study may be classified as developing countries.

The detailed survey has shown that many of the problems are similar to those common in nearly all developing countries, which represent similar social and economic conditions.

1) The most overwhelming problem of all three countries is the slow economic progress and the low per capita income, which in turn to a considerable extent has been influenced by the colonial institutions introduced by the colonial economic policies There is little doubt that the socio-economic institutions introduced by the colonial regime have contributed little to the economic potentials of the ex-colonies for moving on to the stage of economic development.

It is obvious from the data presented that in India the rate

of economic growth (expressed in real National Income) has been increasing at the rate of little less than 4 per cent during 1951-60 and 1961-74, whereas in the case of Pakistan the economy was growing at the rate of about 6 per cent during 1950-68, but since then the rate of growth has fallen to 2,6 per cent, because of a continous political and economic crisis and a civil war leading to the separation of the eastern part of the country.

A similar rate of growth has been recorded in the case of Nigeria and Pakistan during the first and second national development plan periods, with an exception of the war years in Nigeria (1968-70). But a mere rise in national income, although important, is not the main indicator of economic progress, rather it is the real per capita income which sows the major changes when a country enjoys a rising economic level.

It becomes clear that in both India and Pakistan the per capita real income has been increasing very slowly and even not steadily but erratically at the rate of little more than one per cent, whereas in the case of Nigeria it rose between 2 to 3 per cent during the same period, which indicates that the rate of population increase in both India and Pakistan is higher than in Nigeria. Thus the low per capita income, which symbolizes the low level of development, is in fact so low for the vast majority that for them no progress has been achieved since independence.

2) An important feature that represents a similar economic structure in all three countries is that they are basically agricultural economies and all aspects of life and economy represents this character. More than 70 per cent of the working population are employed in agriculture. National income to a large extent derives from agriculture; their share both in India and Pakistan estimates more than 45 per cent, while in the case of Nigeria it contributes over 40 per cent. Moreover, agricultural goods predominate in the export trade and its contribution to the total foreign exchange comes as high as about 75 per cent in Pakistan and about 55 per cent in India.

But in Nigeria, unlike India and Pakistan, along with agriculture the dramatic development of oil extraction makes Nigeria one of the world's largest petroleum exporters.

It is obvious from this analysis that all three countries

have a relatively small industrial sector, employing not more than 10 per cent of the working population in modern manufacturing factories both in India, Pakistan, and in the case of Nigeria it employs only 6 per cent of the working population, mostly concentrated in limited urban centres, generally isolated from the rest of the economy because of the lack of infrastructure and lack of proper planning strategy, leaving the vast majority of the population unaffected by the progress achieved in urban areas.

It must be noted here that since independence a remarkable progress has been achieved in the industrial sector, which has been increasing very rapidly, especially manufacturing, at the rate of over 13 per cent both in Nigeria and Pakistan, whereas in India it is increasing at the rate of more than 8 per cent per year. It is because of heavy concentration on this sector while neglecting agricultural and social sectors.

There are many reasons for this, which shows that industrialization has been forced through transferring all the productive resources from the agricultural sector to a very limited urban sector during the whole planning decades with artificial incentives to promote capital intensive industries. In addition this process has been accelerated through various policy measures such as: favourable depreciation possibilities, favourable exchange rates, import restrictions, tax rebates and holidays.

There is significant evidence that the 'modern enclaves' as stated by W.A. Lewis, representing only a small minority of the population, have achieved a progress, but its impact on the over all development is very negative in all these three countries, due to following reasons: i) by offering a relatively higher price of labour in the manufacturing sector which destroys employment in other sectors of the economy; ii) by geographical polarization which attracts to itself much of its enterprise and capital, while draining the traditional sectors generally causing a regional disparity; iii) by stimulating excessive migration from the countryside because of concentration of public services, education facilities, and mostly the widening gap between urban wages and rural earnings.

Another similar factor in all these earnings is that the agricultural sector despite its importance has generally been ignored during the planned decades, which remained more or less

stagnated during the early 1950s in all three countries, whereas a small rise has been recorded during the 1960s and early 1970s. It is worth noting that during the whole planning periods the rate of growth in agriculture production is not greater than 2 to 3 per cent per year as well in India as in Nigeria, while in the case of Pakistan agriculture has been growing at the rate of 6 per cent since 1960. It must be added that this growth in production has not been caused because of improvement in production systems, but in fact mostly by the extension of areas under cultivation and improvement in irrigation facilities.

Moreover, the institutional framework in agriculture still remains unintegrated with modern techniques of production. It has been found that the concentration of cultivable land has mostly remained in a few hands, and the social land reforms and cooperative farming mostly remained ineffective. In addition, the government investment priority in the industrial sector has caused a further set-back to this sector.

Another similar important point worth mentioning becomes clear from this, that the social sector - education, health, housing and social services, has been mostly neglected both in India and Pakistan during the planning process, while in the case of Nigeria few steps have been taken during the second national development plan period. And all these three countries represent a general mass illiteracy varying from 70 to 80 per cent. Whatever criteria one may select to measure social and economic progress, both India and Pakistan occupy a place near the bottom in comparison to other developing countries in the poorest continent of Asia. But in the case of Nigeria the situation is little favourable because of the policies toward the lower sections of the population since independence.

3) In the three countries there is a vast number of unemployed, particularly in the non-agricultural fields and large underemployment in the agricultural fields. Although apparently they are engaged in agricultural work, they do not have enough work to keep them busy throughout the day or the year. The data represented in this study shows that in 1974 there were some 13 to 14 mio people unemployed in India, now reaching nearly about 18 mio and representing a huge wastage of human capacity.

Both Nigeria and Pakistan represent a similar level of unemployment, especially increasing in urban industrial towns, varying from areas to areas between 10 to 15 per cent of the to-

tal working population, which means that about 2 to 3 mio of the urban population are unemployed. This number, though small in the context of the total population is significant because it includes many young school leavers, highly educated and trained persons, which means not only a wastage of physical human capacity, but also of society's most scarce resources spent on training and education.

There are many reasons for this state, as has been pointed out in this study, most important among which is the unfavourable strategy of the planners, who neither gave any importance to achieving full employment nor adopted any appropriate real wage policy and, or lack of policies promoting employment opportunities outside manufacturing,namely in cottage and small scale industries adopting labour intensive techniques.

In addition to that, trade unions' attitude towards higher minimum wages paid to industrial workers had mainly a more adverse effect in the sense that the widening gap betweer urban and rural wages generally motivated the rural population's drift from agriculture to seek employment in towns, which in turn created slums in the urban centres while hampering the over-all development of the economy.

4.1.6. Trade Unions' Socio-Political Activities

Both in India and Pakistan the trade union movement has been generally dominated by the left-wing and radical socialist ideas on the one hand, and the nationalist politicians who organized the labour front on the other, who played an important role in the national independence. Therefore, soon after getting independence, as this study reveals, trade unions were generally active in national politics while neglecting the real fact that there was more need of co-operation with the government in order to safeguard the economic interests of the society as a whole, rather than to represent the special interest of a minority of the population seeking to extract maximum socio-political concessions at the cost of the national economic development

A similar situation has been found in Nigeria, which lacked a political party enjoying any support at a national level. As the Nigerian society presents a most heterogenous structure, especially here trade unions have been organized by politicians and professionals to be used as pressure groups with the motivation of participation in the national government and for perso-

nal gains in the national politics.

Because of the political involvement of the trade unions and the lack of a collective concept for national development among the labour leaders, nationalists and regional elites both in Nigeria and Pakistan soon after the creation of independent nations an ideological conflict broke out, which in turn divided the union movement into small pressure groups while supporting various interest groups to gain control over the central government. This led to a complete political chaos and in 1958 in Pakistan and 1966 in Nigeria invited the military to take over in order to save national integrity.

Since then both Nigeria and Pakistan have been governed by military administration. With an exception in Pakistan during Dec. 1971 to June 1977, all trade union activities have been restricted.

In India, soon after independence, the ruling Congress Party organized its own labour wing, integrated in the Congress Party with an objective to create a most disciplined labour force in order to achieve the objectives of the plans adopted since 1951.

The close relationship of the most dominating trade union federation with the ruling party has led to a situation under which the trade union movement has developed on the line of political unionism, in which the connection between leaders and persons outside the unions were stronger. As has been stated in this analysis, the Congress-led trade unions have been mostly engaged in party politics in favour of the ruling elite, while all the rest of the trade union centres have been allied to oppositional political groups and parties, which consequently has caused a split among trade unions at every level, and also has given rise to a multiplicity of unions in one industry as well as in one establishment.

As regards social welfare and benefits in the three countries the detailed survey of trade union activities shows that social welfare has been the responsibility only of the governments, whereas the unions have concentrated their efforts in organizing protests and strikes, except for very limited union facilities like workers education and training.

In conclusion, the finding shows that unions are growing in number not with straight growth but with gain and loss. The gain has been because of union achievement in demanding more

money for a small minority of industrial workers. Losses have been because of the political and union rivalries leading to split and multiplicity.

4.1.7. Relationship with Foreign Trade Unions

All existing central organizations are ideologically affiliated with international federations (Pakistan - 1 with pro-communist WTUF and 3 to ICFTU), India - 1 to WTUF and 2 to ICFTU, as in the case of Nigeria all the major central organizations have close ties with 4 different international bodies - WTUF and the pro-communist Pan-African labour movement, ICFTU and the International Federation of Christian Trade Unions.

The international communist labour movement - under instructions from the Soviet Union - British Communist Party - and local communist leaders - are active and seeking the leadership for the establishment of socialism (India, Nigeria), whereas the ICFTU policy in these countries is largely patterned on mutual help in order to support and develop a free trade union movement, which could meet the challenge of the changing situation in these countries to defend workers' interests.

Beyond these international federations, there also are close ties with DGB, TUC and AFL-CIO which occasionally help to organize seminars and training courses for trade union leaders and workers and also help in union matters in both ways, with finance and advice.

But there is complete lack of initiatives from their own side, because of lack of understanding about the subject and partly because of the inappropriate use of the available resources especially in Nigeria.

5. The Impact of Trade Unions on Socio-Political and Economic Aspects of Society

After this detailed survey of the trade unions and of collective bargaining, their actual structure and function as a labour institution, considered in the concrete circumstance of their actual operation in India, Pakistan and Nigeria, it remains now to recognize the patterns and draw up the main features of trade union activities, historically speaking, in social and political spheres in general and in the economic development in particular. This would facilitate the examination of alternative policy possibilities as to how trade unions could make their optimal contribution for achieving social and economic progress in these societies.

Socio-political aspects. During the struggle for independence in India and Nigeria there was a very close coordination and cooperation between the political liberation movement and the trade union movement, which enjoyed a considerable degree of autonomy and direct power while working for political freedom from the colonial administration through a mass movement, because the political leadership was directly or indirectly involved in organizing the trade union movement.

In India soon after independence INTUC, a Congress-led labour organization[1)] voluntarily adopted restraints to protect the economic programme worked out under the Indian development plans in 1951. In opposition to INTUC all the other three labour organizations, namely AITUC, HMS and UTUC associated with opposition political parties, namely the Communist Party of India, The Praja Socialist Party of India and a section of Marxist and Radical organizations respectively. It is obvious from this study that the union activity of the INTUC has mostly shifted from employers to the interior of the political structure,

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1. See pp. 120-123 in this study.

while exerting the actual pressure for concessions directed against the Congress Government, in the way not undermining its prestige as biggest employer. Despite hard criticism from the other central worker federations, the INTUC experiment has shown that it has functioned fairly well within the control of the Indian National Congress Party and has exercised a very high influence among the political leadership,[1] which formulating labour policies has always asked for advice and consultation.

In the case of Pakistan since independence, trade unions have no direct political representation (although a section of labour was identified with the ruling party, Muslim League, which broke the ties soon after, in 1954, when the party lost its control over the government and split into many Muslim leagues). Therefore, trade unions had to depend mostly on judiciary, who was supposed to protect the workers' rights. Even the present political structure did not provide a general representation to trade unions. This is one reason why trade union leaders were always anxious to create their own political status, while leaving their duties as workers' representatives aside.[2]

The case of Nigeria presents another picture of a fragile government structure and underdeveloped political institutions. Soon after proclaiming the 'First Republic of Nigeria' in 1962, despite having an agreed constitution and parliament, they had few agreed-upon techniques for replacing any non-representative administration. Consequently they rested upon coups and counter coups and assassinations of the elected representatives of the federal as well as of the regional government.[3]

In such a situation any type of agitation, for example unions' protest, was considered to be a challenge and therefore must be contained at once because trade unions are considered as political opposition and a threat to the ruling authority. The present labour legislation in Nigeria places a high degree of restraint on strike and other activities.

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1. See p. 124 in this study.
2. See p. 72-73 in this study.
3. See pp. 238-239 in this study.

It is apparent from the Indian experience that trade unions have made a considerable contribution in the political development by helping to counter communism and the danger of military dictatorship, by balancing the political power in order to build up a political system on democratic values (though not in the sense of Western democracy) and by managing workers' protest in the interests of national development and political stability.

In contrast to the Indian experience, the case in Nigeria and Pakistan provides an evidence that it is not a remote possibility that the established union centres might become the parties' political rival or they might threaten to replace political leadership as it was in the case of Pakistan during 1951-54 and 1968-69,[1] and in Nigeria during 1964-65,[2] and consequently facilitated a military take-over which followed in all three occasions.

Pakistan and Nigeria are facing a great need for the exposure of some degree of political consensus on how to organize their social and political system. Trade unions in this respect could play an intermediary role,[3] being a natural partner, between the political complex and the working population, because of the

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1. See p. 96 and 97.
2. See p. 207.
3. It is particularly in the early stages of economic development when the resistance of a traditional society has to be overcome, when the necessary institutional changes for instance, doing away with an archaic land tenure system or an inequitable tax system, or reforming the educational system - spell success or failure of all economic measures, that the union's support of the reform forces appears indispensable. Where the body politic is in the hands of the vested interests of a minority, the mass (mob) demonstration, an extra-legal pressure on society, becomes one of the most powerful means of bringing about a peaceful change.

   For this role, the union is eminently equipped. Its basic attitude is directed to a change for the better, toward progress.

   Paul Fisher, The Role of the Union in Less Developed Areas in: Labour Review Monthly, Sept. 1961, p. 956.

unions' direct representation of the working masses. While pleading their economic and political interests, as stated by P. Fisher,[1)] trade unions constitute their first participation in the modern organization and integration in the process of social and national development.

In the case of Nigeria, where since 1945, and especially after independence both equally powerful sections of the trade union movement (Radicals - NTUC and LUF, and Moderates - ULF and NWC) have contributed considerably in the polarization of Nigerian society on the basis of political ideologies. This led to political instability and civil war (Biafra 1967-70), partly because of ethnic and tribal differences and partly because of regional economic disparity. The Nigerian experience teaches us that trade unions not mixed with political unionism is possible only in a situation in which the political system is relatively moderate and non-polarized.

In the case of Pakistan soon after independence and separation from India in 1947, the concept of a 'democratic and egalitarian society based on islamic ideals' became a controversial issue aroused between orthodox and moderate elements, who considered islam not only an ideology which because of the inequitable economic system supported by the ruling elite through the Islamic appeal, and those who believe in a combination of islam with socialism. Consequently, after a long ideological difference, economic suppression of the working population and regional economic disparity, the newly formed political force, became a mass movement and defeated both the traditional forces and the previously dominating political and economic groups in the first ever held General Election in Dec. 1970. This development has brought a regional thinking not only based on economic inequality but also an awakening of political thinking (Socialism and Bengalee nationalism) which partly led to the separation of the Eastern part of the country, which became an independent state in Dec. 1971.

It is reasonable to believe that if the rights of existence

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1. Fisher, P., The Role of the Union in Less Developed Areas, op.cit., p. 956.

and freedom of union activities would have continued uninterruptedly under political control, the trade union movement in both Nigeria and Pakistan would have acquired a sense of national responsibility. This condition might have led to a decrease in industrial and political unrest on the one hand,[1] and on the other helped to establish a stable political system. Social or economic faults would not have been blamed solely on either side, trade unions or the ruling elite. Perhaps it was a consequence of the fact that the labour unions very often were denied their rights of existence and participation in the decision making process which provoked the labour front each time in political crisis to find itself on the side of opposition.

Another important point in this respect is to be considered: trade unions' involvement in the national politics reflects the competition of special interest groups with each other and also with the ruling elite. This type of conflict, mostly based on ethnic, tribal, regional and religious basis, will not be solved until a workable political and economic system has been adopted and the principle of plural society has been accepted.[2] In the long term the structural changes in these societies (Nigeria and Pakistan) must themselves work towards the consolidation and increasing coherence of different interest groups based on economic interests rather than ethnic, tribal or regional sentiments.

It is obvious from this study that the trade union movement has grown despite constant efforts to check and limit its freedom and right of action. In the case of Nigeria and Pakistan, it has grown by controlling a small but relatively well organized and articulate segment of society with a considerable political strength and with its effective centre in the main urban areas. This is due to the influence of economic behaviour of the ruling

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1. The unions' contribution to the establishment and maintenance of industrial peace in the workshop has been accepted by many writers. "There is a tendency for industrial conflict at the early stages of industrialization to consist of short-lived incidents and to involve fights, riots, demonstrations, directed action, violence, and mob action." Kerr, C., and others, Industrialism and Industrial Man, (Cambridge 1960), p. 206.
2. Van de Vall, M., Labour Organizations. A Macro- and Micro-Sociological Analysis on a Comparative Basis (Cambridge 1970), p. 43.

elite and employers especially in the area of industrial relations and participation as a part of political and economic community.

From the social point of view, the trade unions are supposed to integrate the labour force into the new type of society which they are supposed to help build, to provide for education, to combate illiteracy, to provide for skills and training and to provide instruction about the benefits of union organization especially in the field of health and social welfare. But experience shows that only in Nigeria the union centres have carried on educational and training programmes intensively, partly through their own established labour institutions and partly educational centres established with foreign assistance (ICFTU, DGB, AFL-CIO and Friedrich-Ebert-Stiftung in West Germany),[1] accepting the reality and importance of the workers education in reducing internal conflicts in the society which carries communal and regional tradition.

In the case of India, political parties are mostly providing skilled cadre and politically educated leadership to the trade unions associated with them. This is one reason why India had a prominent leadership well conscious about the heterogenity of society and for India's preparedness to adopt a democratic political structure. The credit goes to the trade unions which in turn have provided a balance in the power structure, and secure individual freedom by controlling anti-democratic directions of the extreme left or right.[2]

Under the given conditions most trade unions in Pakistan are financially too poor and numerically too small and ineffective to afford even a full-time staff and other necessary requirements. Consequently their contribution in social integration through education and training programmes, a precondition for the skilled and well-organized labour force is greatly hampered and remains very limited.

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1. See p. 246 in this study.
2. See pp. 145-148 and 181-182 in this study.

A social system in which the individual has a democratic relationship to the power of structure in industry and government through participation and consultation might avoid restriction upon individual freedom and reduce tension between employers and workers, and it is thinkable that trade unions could work toward this achievement as it is apparent in most developed countries.[1)]

The prevailing concept of government's responsibility for public welfare, political and social thoughts in the case of Nigeria and Pakistan, is not yet well advanced enough and this seriously affects the role of trade unions. The power structure with regard to economic and political decision making, which rested chiefly with landlords and industrialists, and a small ruling elite, which does not allow any third power to check the authority, a precondition for social and welfare reforms in the sense of Western developed societies on the basis of a 'plural power structure'.[2)]

The case of Nigeria and Pakistan provides an evidence that trade unions' position has not been established, rather it is still under a formidable phase, and because of the unions' internal weakness and restriction imposed by the political system, their ability to influence the static socio-political relationship determined largely by hereditary wealth and privileged positions is reduced. Trade unions' future depends on their activities in a direction that the successive government will feel to compromise with them rather than seeking means and ways to control and restraint their freedom.

Economic Aspects: taking all these typical features of the socio-political set-up of these countries under study, we can see the impact of trade unions' policy and their behaviour with regard to income distribution, wage structure, employment and economic growth of society as a whole.

It is obvious from the study that all three countries have a

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1. ILO, Consultation and Cooperation between Employers and Workers at the Level of Enterprise, Labour-Management Series, No. 13, (Geneva 1962).
2. Van de Vall, M., Labour Organization, op.cit., p. 43.

very small industrial sector including mines and manufacturing consisting on partly private and partly state ownership, which contributes not more than 15 per cent in the Gross Domestic Product in the case of India and Pakistan, and only 8 per cent in the case of Nigeria, (since 1970 industrial activities have increased very rapidly due to oil extraction), and represents a small minority of the working population (about 9 to 10 per cent in the case of India and Pakistan and only about 6 per cent in Nigeria). The main activity belongs to the agricultural sector which employed more than 70 per cent of the working population, indicating that these three countries are basically agricultural economies. A limited and narrow industrial sector is not likely to secure heavy employment opportunities for the vast unemployed urban masses (about 13 per cent in the case of India and between 10 to 15 per cent of the total working population in both Nigeria and Pakistan), and the underemployed agricultural working population, of which 45 per cent live in absolute poverty and under minimum existence conditions necessary to maintain physical existence.

The empirical data present that the trade union struggle for economic benefits for their members at the early stage of industrial development has brought unfavourable repercussion with regard to employment structure and economic development, mostly because of their unwillingness to review their demands within the context of the general economic discussion, while regarding the number of industrial disputes and the wastage of working days especially in the case of India and Pakistan. (In the case of India the average number of industrial disputes is over 2.256, which caused an average wastage of working days more than 12 mio per year during the whole decade of 1961-71,[1)] whereas the number for Pakistan is 309 and more than one mio respectively during 1965-74,[2)] which in turn caused a tremendous loss of industrial production and national income.

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1. See table p. 134.
2. See table p. 65.

The available type of leadership did not represent any responsibility either towards the production targets, fixed in the development plans, and/or acting together with the management on behalf of industrial and national development. It is obvious in the given socio-political system that the significant disputes in industry are basically politically motivated, which presents a trial of power among different interest groups. It reflects the need that the voice of the trade unions should be heard which could help to create industrial peace.

All three countries have been growing at the rate between 4 and 6 per cent per year in real terms, and the industrial sector has shown even a faster growth rate between 8 to 13 per cent annually. Yet the annual rate of labour absorption in the non-agricultural sector has not been increasing even at the rate of population growth (2,5 to 3 per cent annually). It is for this reason thinkable that all heavy and well-established industries have been shifting from capital-saving to labour-saving methods, partly because of relatively high costs of labour and low productivity, which consequently reduced the possibility to avoid unemployment of the masses.

This study shows that all these three countries are facing the cyclical and structural unemployment mainly arised out of shortage of capital formation, inadequate productive investment, wrong allocation strategies, lack of entrepreneural skill, training and education. It means that the employment problem is mainly tied up with the problem of modernizing and transferring the whole structure of the economy, and as we have tried to show, on the one hand, trade unions are not strong enough to influence the economic power structure, and on the other unions are basically confined to represent the special interest of a small section of industrial organized workers rather than to represent the whole working population and national economy.

In most cases the right of participation in the decision-making process at the industrial level as well as at the national level is denied with very few exceptions only in the form of workers' councils, joint management committees, industrial management committees, industrial management councils, and in tripartite conferences, mostly dealing with minor problems such as working conditions, premiums, over-time, and other day-to-day administrative problems. Workers' representatives are not given

the right to decide about the quality and quantity of production, participation in profits, wage improvements, social welfare and security matters, participation in the management and control of the industry.

It has been found in this study that trade union activities in the small industrial sector are mostly concerned with the objectives to maximize the wage bill for their members, taking as main criteria to raise the standard of living, as it is apparent from the statistical evidence that since independence the most militant and defensive battle is for higher money wages.[1)] This in turn has resulted in jeopardizing employment opportunities and consequently has caused a more unfavourable effect by reducing investment in the less productive sector as the case may be in the agriculture and export sectors, where the average annual growth rate shows a very minor increase in both India and Pakistan with an exception of Nigeria (since 1970 the oil export expansion). This type of unions' strategy for more money despite lack of strong unionization and internal unity and their relative to achieve it, may explain their impact when we consider the increasing number of labour disputes and strikes, and the large number of workers involved especially in India and Pakistan, and the political instability in the case of Nigeria and Pakistan. It becomes obvious that the positive effect on money was mainly achieved partly through exercising political pressure on the government and partly through the government's own desire to maintain industrial peace, rather than through unions' pressure by collective bargaining with the management.

The trend in prices and cost of living shows that there is little co-relation between wages and consumer prices despite the simultaneous rising during the last decade 1964-74 (the Consumer Price Index reached from 71 to 165, from 76 to 164, and 73 to 141 in India, Pakistan and Nigeria respectively), whereas

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1. See tables on p. 101 (Pakistan), p. 178 (India), p. 242 (Nigeria).

unions' contribution in terms of improvement in real wages as the statistical data show, remains very minor in the case of India and Pakistan as compared to Nigeria.

It is indisputable that these three countries are basically in a need of improvement of the investment potential of the material and human resources for economic growth and national development. It therefore seems more relevant to see the problem in the consideration of structure of employment in different sectors of the economy. In this respect any undue increase in the wage level (in the sense of W.A. Lewis)[1)] of the small minority of industrial workers without any improvement in the earnings of the rural agricultural workers and small farmers would lead to a more privileged position of this section, which in turn creates not only socio-economic but also political tensions between the unorganized rural poor masses and the organized urban industrial workers.

This study shows that trade unions are mainly concentrated only in a few urban centres while leaving agricultural workers to take care of themselves. It is important to note that trade unions could have been a helpful influence in solving the problem of surplus unskilled rural manpower, while cooperating in organizing collective farming at large scale, rather than small farming with very low productivity in the countryside. Because of the unions' struggle for higher wages for their members in urban industrial centres, the latter attracted heavy migration from the rural areas. This, in turn, resulted in the destruction of the employment structure in the countryside and created slums and more serious infrastructural problems while creating a wide disparity and economic isolation in urban and rural areas.

It seems more relevant to believe that an increase in agricultural output per head is most important in these three developing economies, which requires modernization of the prevailing social and economic legislation in the countryside. The unions under their present conditions are comparatively weak to

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1. Lewis, W.A., Development Planning. The Essentials of Economic Policy (New York, 1966).

influence the demand for reorganization in an authority structure which could provide a chance to integrate the rural masses in the process of economic development.

It is obvious from the data on uneven distribution of income and wealth and the lowest per capita income that the achievement of economic progress is mainly going in favour of upper income groups under the excuse that the propensity to save and invest is higher there as compared to wage earners or low income groups. But the experience shows (as stated by V.K.R.V. Rao)[1] that the most considerable part of money is used mainly for the purpose of luxury consumption, purchase of land or other property, speculation with a quick return, rather than in productive investment in order to promote economic growth.

It is important to realize that the problem of economic development needs the mobilization of the productive resources as it is maximum possible in order to increase national production in order to lift up the economy into self-sustained growth. The main sources are their own private investments, government development programme and foreign private investment (in the case of India and Pakistan - long term credits and foreign aid, while in Nigeria direct private foreign investment). Therefore the unions' militancy as a special interest group safeguards economic benefits for their members, while ignoring the national economic interest. It is evident from the facts provided under the trade union behaviour and policy, that they have generally effected less to provide an opportunity to raise national production, capital accumulation, in the sense that they could increase labour productivity) and attraction in foreign private investment, while using strikes and agitation politics have undermined the national economic problems.

The view generally accepted is that the process of economic modernization shifts the income distribution in favour of the upper and middle income groups against low income groups (Simon Kuznets[2] and Gunnar Myrdal[3] at the early stage of development,

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1. Rao, V.R.K.V., Redistribution of Income and Economic Growth in Underdeveloped Countries, in: Income and Wealth Series, X (London 1964), pp. 307-333.
2. Kuznets, S., Economic Growth and Income Inequality, in: American Economic Review, March, 1955, pp. 18-20.
3. Myrdal, G., Asian Drama, (New York: Pantheon Press, 1968), Vol. II, p. 746.

and in all three cases the validity of this thesis is hardly to be challanged. Another factor that contributes toward an un even income distribution is the wage differentials mostly because of an acute shortage of those factors of production such as technicians, engineers, skilled workers and educational personal, especially when the rate of growth is accelerating, and partly because of unions' pressure.

It is remarkable to point out that the main concentration of trade unions with regard to income distribution has been a demand for nominal increase in remunerations and price reductions on certain goods and services, generally of those within the reach of all sections of the population, for example the subsidies granted by these governments from time to time for the consumption of imported goods such as food grains and other various types of additional allowances, premiums and money awards. The experience proves that these measures have added a little to change the pattern of income distribution in favour of the poor masses. It is worth noting that the organized workers are more able to take advantage from these policies than the unorganized and the majority of the rural workers whose interests are not represented by unions, which reduces the chances to get a due share in the national income as compared to industrial unskilled workers whose income is two to three times higher in these countries.

In summing up it is apparent from this analysis that unions are less interested in the welfare of all working people and in behalf of society than to protect special interests, while exercising political pressure partly because they consider themselves as a political force responsible for putting forward their demands and using agitative and militant methods because of lack of economic concepts of union policy and lack of economically educated and trained union leadership. This type of unions' behaviour is probably a reflection of the socio-political and economic systems under which the workers' representatives are not provided the right of participation in the real sense at the industrial level as well as at higher national levels. The decision-making authority rests mainly in the hands of a very small ruling elite in the case of Nigeria and Pakistan, whereas in India unions are well established to a political reality with a considerable importance and influencing ability and therefore

exercise a high rank in participation among the decision-making apparatus of the government.

6. Concluding Remarks

The question whether there are alternative policy prescriptions that can be offered as trade unions function to deal with the problems in these developing countries can be answered in the affirmative. Its ability to function depends on the more suitable and workable economic system and political organization of the society as a precondition under which trade unions have to operate.

At present there are two mostly common economic systems in operation in one or another form, namely the 'free market' economic system[1] and the 'centrally planned' economic system.[2] The experience proves that the competetive free market system is mostly based on information and skill-intensive endeavour and many well established socio-political institutions and economic organizations. Therefore these developing countries are not able to maintain this system. Centrally planned economic systems under which all major and minor political decisions are made by the government, and the day-to-day running of the economy would be under government direction, could only function properly through the government's ability to set wages and prices. This type of system would be highly dependent on good means of collecting, organizing and transmitting large amounts of economic information which are also not in the capacity of these developing countries.

No country in this study has either of the two systems in its true sense, instead all three have a mixed form, partly private enterprise and partly government enterprise with a variation of the degree of control and the expansion of the public sector. In this context the prevailing system, as the experience of India, Pakistan and Nigeria shows, has not been very favourable. It is a most well-known reality that concentration on private property and economic power in very few hands, and

1. Gahlen, B. and others, Volkswirtschaftslehre. Eine problemorientierte Einführung (München 1971), see pp. 15-20.
2. Ibid., pp. 31-34.

generally low income, corruption, favouritism, misallocation of scarce potential resources and economic inefficiency appear to be great. The allocative and distributive effects of the economic policies are very serious in the respect of increasing mass poverty and unemployment. The non-economic effects are serious as well in the sense that creates political power, not only in the short run but also in the long run for any socio-political and economic development of society.

In the case of all these developing countries a more flexible economic system in which planning and free market elements are combined, will prove to be a most suitable and functionable alternative. This kind of economic system is especially valuable and important if the fundamental socio-political transformation towards a reorganization of society (revolutionary way) is not required, but a system under which despite state intervention a place is provided for the principals of individual choice and individual development (evolutionary way).[1)]

It is important to realize that in the case of these developing countries with their specific economic problems, economic growth requires a continous planning, as all other economic policies made in a given situation and problems, while considering the fact that the starting point of all economic policies is a given political, social and economic situation within which development has to proceed.

In planning there is much more involved than simply counting targets and instruments such as that GNP should grow at a given rate and per capita income should be doubled in a certain period of time, etc. If these targets are taken more seriously, as it is the case in most occasions in these countries, bitter fights among the regions and sections of the population have followed. What is important to realize is that there must be an

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1. Gahlen, B. a.o., Volkswirtschaftslehre, op.cit., p. 287. For an account of the evolutionary and revolutionary paths of development, cf. also E. Tuchtfeldt, Alternative Strategien der Entwicklungspolitik (Alternative Strategies of Development Policy), in: Strukturwandel und makroökonomische Steuerung. Festschrift für F. Voigt (eds. S. Klatt and M. Willms). (Structural Change and Macro-Economic Control, Publication in Honour of F. Voigt), (Berlin 1975), p. 205 et seq.

economic sense of direction and decisions should be made in a manner that allows important social groups (trade unions, employers, unions and governments) the rights of participation as suggested by R. Becker. Under this type of planning, each interest group has an opportunity to influence and provide direct information so that informed decisions could be made (ex-ante coordination),[1] but none of the interest groups could dictate or choose any predetermined targets. It is most reasonable to believe that this type of coordination could provide an opportunity to participate in the preparation of planning, and consequently might lead to a reduction in regional and sectional conflicts.

It is important to realize that the effectiveness of planning depends very much on the precise nature of the economy to which it is applied, particularly by its flexibility, its adaptability and its productivity. In order to achieve this aim it needs the mobilization and economically effective allocation of as many resources as possible, or as W.A. Lewis stated, the main task of the planning for higher productivity lies in a set of policies which induce private persons to invest their time and resources more productively.[2]

If economic growth is required, in this respect it is essential that the planners should not make too many uneconomical decisions, and it would be possible that much of the misallocation disappears if locational decisions could be made on the regional needs and on economic grants on the basis of decentralization. In the planning process the virtues of the decision-making system appears to be great and the benefits of the competitions seem to be very important. In this respect it is in the interest of these developing countries, if they are keen to develop their industrial sector, that is highly dependent on international trade, to remove unnecessarily created barriers to

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1. Becker, R., Wandel der ordnungspolitischen Vorstellungen in der Bundesrepublik Deutschland, in Wirtschaftsdienst, 1977/X, S. 509.
2. Lewis, W.A., Development Planning, op.cit., see p. 23.

foreign investment, to eliminate special protected positions and generally to encourage competition, a few possible steps through which a considerable rate of growth, employment and economic development can be achieved.[1)]

It is worth noting that the planning mechanism must be well coordinated with requirements and needs coming from below, from both consumers and producers. Moreover, it is highly desirable that planning authorities must have considerable rights of intervention, and their flexibility must be preserved to enable them to adjust rapidly to the changing requirements of the economy. According to K. Schiller, the market and price mechanism has an important function in these developing countries as an indicator of scarcity or as an instrument of allocation, of passing on and converting as a transmitting mechanism in the case when the impulses generated by the primary activities of the state.

In order to overcome the increasing problem of open unemployment and wage differentials and sectoral unbalanced positions in the economy, it is highly desired for the planners to follow income policy as suggested by W.A. Lewis, that must follow the typical priorities such as (1) "raise agricultural productivity as quickly as possible;" (2) "keep unskilled wages aabout 50 per cent above average agricultural income;" (3) "accelerate the output from secondary schools, training schools and universities, so as to diminish the gap between middle class and working class earnings;" and (4) "in a private enterprise economy, tax profits as heavily as they can bear without reducing gross private investment below 15 per cent of national income."[3]

For regional and national integration, mobilization and economic allocation of resources, it is required more specifically that the priority should be given to the creation of a more

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1. A number of East and Southeast Asian countries - notably Hong Kong, South Korea, Taiwan and Singapore - have recently been succesful in achieving rapid economic growth, good employment growth, and satisfactory distribution of income. Their successes have been, at least in part, attributable to their comparatively pro-competetive, open, outward-looking economic policies. There is no single good reference to these countries' policies and performances. Among the sources to look at are I. Little, T. Scitovsky and M. Scott, Industry and Trade in some Developing Countries, London 1970, Ch. 7.
2. Schiller, K., Der Ökonom und die Gesellschaft, (Stuttgart 1964), see p. 215.
3. Lewis, W.A., Development Planning, op.cit., p. 94-95.

productive, flexible economic set-up. In this regard the political organization is more important from the point of view of economic growth. It is important to realize that all these societies are pluralist in the sense that there are various interest groups and there is never any reason to believe that everybody's interest will coincide.[1)] In other words, 'pluralism' has the obvious form of tribal, language and religious division on the one hand, and on the other there also are conflicts among farmers and industrial workers, between producers and importers, workers' unions and employers' unions etc. When societies are very heterogenous and particularly when different interest groups are of roughly equal strength, in order to achieve the best possible socio-economic development in a democratic way, it is highly desirable to coordinate each other while recognizing the right of consultation and participation at all levels. And it is a generally accepted view that a dictatorship could not help to solve the problem, whether it is from the proletariat, or of any other group.

Within the imperfect framework of the given socio-political and economic structure of these countries, it will not be possible for trade unions to contribute effectively until the following preconditions are fulfilled.

These are: a) Free and effective trade union work demands a democratic system not only in society but also in the very organizational set-up of the trade unions.

b) For a more effective role of the trade unions in society, it is necessary to overcome splintering and internal conflicts and to build a unified strong organization.

c) The trade unions would have to leave their purely oppositional role. They would have to show their readiness to work in constructive cooperation with the state and the entrepreneurs to solve the problems of the country's economy.

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1. Herder-Dorneich, Ph., Wirtschaftsordnungen. Pluralistische und dynamische Ordnungspolitik, (Berlin 1974), see pp. 36-41.

d) the trade unions would have to devote their main attention upon policies of the infrastructure. Unions' work would have to consist not only in representing the interests of the industrial workers, who are a minority anyway, but much more in organizing the 'rural poor' and agricultural workers.
e) For this purpose, wages would have to be the most important instrument of union policy to achieve the elimination of disparities of income in various sectors of the economy.
f) The entire working population would have to be involved in the process of social and economic development, through education, skill-training, and imparting of general enlightening education by the trade unions.

ZUSAMMENFASSUNG

Am Schluß des detaillierten Berichts über die Gewerkschaften, ihr Verhältnis zur Gesamtgesellschaft und ihre gegenwärtige Struktur und Funktion als Arbeiterorganisationen sollen die hauptsächlichen Charakteristika noch einmal aufgegriffen werden, um das so entstehende Modell gewerkschaftlicher Aktivität in Entwicklungsländern genauer analysieren zu können. Besonderes Gewicht wird hierbei auf sozialpolitische und ökonomische Fragen gelegt, wobei auch die Alternativmodelle erörtert werden sollen, in denen die Gewerkschaften einen effektiven Beitrag zur sozialen und ökonomischen Entwicklung der jeweiligen Gesellschaft leisten können.

Sozialpolitische Aspekte

Während der Befreiungskämpfe in Indien und Nigeria arbeiteten die Gewerkschaftsbewegungen eng mit den politischen Organisationen zusammen. Dabei verfügte die Gewerkschaftsbewegung über beachtliche Autonomie, weil sich in ihrer Führungsspitze führende politische Kräfte befanden.

In Indien legte sich nach der Unabhängigkeit die von der Kongreßpartei geführte INTUC[1] freiwillig Beschränkungen auf, um das ökonomische Programm der Entwicklungsplanung zu unterstützen (1951). Im Gegensatz zu INTUC stellten sich die drei anderen Arbeiterorganisationen, AITUC, HMS und UTUC auf die Seite der Oppositionsparteien, namentlich der Kommunistischen Partei Indiens, der sozialistischen Praja-Partei, sowie eines Teils der marxistischen und radikalen Opposition. So verlagerte sich die Aktivität der INTUC von rein gewerkschaftlicher zu politischer Aktivität und konnte gerade dadurch, daß sie die Autorität der Regierung (die der größte Arbeitgeber ist) nicht in Frage stellte, erfolgreich Druck für Konzessionen auf die Kongreßregierung ausüben. Trotz scharfer Kritik der anderen Gewerkschaftsorganisationen hat das INTUC-Experiment gezeigt, daß ein Bündnis Regierung-Gewerkschaften sehr wohl funktionieren kann, und daß die Gewerkschaften großen Einfluß bei der Formulierung des Haushaltsplanes der Regierung ausüben können.[2]

Pakistans Gewerkschaften haben seit der Unabhängigkeit des

1. S. S. 120-123 dieser Arbeit.
2. S. 124.

Landes kein politisches Mandat, obwohl ein Teil der Arbeiterschaft der damals regierenden Muslim-Liga zuzurechnen war. Das Bündnis zerbrach jedoch, als die Muslim Partei 1954 die Regierungsgewalt verlor und sich auflöste. Deshalb waren die Gewerkschaften vor allem auf die Judikative verwiesen, von der man Schutz der Rechte der Arbeiter erwartete. Bis heute aber sieht die politische Struktur des Landes für die Gewerkschaften kein generelles Vertretungsrecht der Arbeiterschaft vor. Hierin ist einer der Gründe dafür zu suchen, warum die Gewerkschaftsführer stärker auf die Etablierung eines politischen Mandats bedacht waren, und ihre Pflichten als Arbeitervertreter vernachlässigten.[1)]

Nigeria bietet das Bild einer fragilen politischen Struktur und unterentwickelter politischen Institutionen. Nach Verkündung der "Ersten Nigerianischen Republik" 1962 und trotz verhältnismäßig stabiler politischer Struktur mit Verfassung und Parlament hatte man sich wenig auf die Möglichkeiten zur Ablösung einer oppressiven Verwaltung besonnen. Folgerichtig blieb es bei Putsch, Gegenputsch und Mord an den gewählten Vertretern der föderalen und der regionalen Regierungen als Mittel der Politik.[2)]

Unter den gegebenen Bedingungen erscheint jede Art der Agitation, z.B. gewerkschaftlicher Protest, als Herausforderung, die unterbunden werden müsse. Man betrachtet die Gewerkschaften als politische Opposition und daher als Bedrohung der regierenden Mächte. So sieht die gegenwärtige Arbeitsgesetzgebung Nigerias Restriktionen gegen Streik und ähnliche Aktivitäten vor.

Am Beispiel Indiens wird ersichtlich, daß die Gewerkschaften auch beachtlichen Anteil an der politischen Entwicklung nehmen können. Im Kampf gegen Kommunismus und Militärdiktatur können die Gewerkschaften ausgleichend auf die politischen Verhältnisse wirken, in denen sie einen Baustein der Demokratie (wenn

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1. S. S. 72-73 dieser Arbeit.
2. S. S. 238-239.

auch nicht im westlichen Sinn) darstellen und den Arbeiterprotest im nationalen Interesse und im Interesse der politischen Stabilität kanalisieren können.

Im Gegensatz zur Erfahrung der indischen Gewerkschaften lehren die Fälle Nigeria und Pakistan, daß es kein gangbarer Weg ist, wenn die Gewerkschaften zu Rivalen der politischen Führung werden. Die Geschichte Pakistans (1951-54 und 1968/69)[1] und Nigerias (1964-65)[2] beweist, daß durch Konfrontationsstrategie nur ein Militärputsch wahrscheinlicher wird, wie es tatsächlich in diesen Jahren geschah.

Pakistan und Nigeria haben zweifellos hohen Bedarf an einem politisch tragfähigen Konsens über die Organisation des sozialen und politischen Systems. Gewerkschaften können in dieser Hinsicht eine vermittelnde Rolle zwischen den politischen Vertretern und der arbeitenden Bevölkerung spielen.[3] Wie P. Fisher hervorhebt,[4] ist die Vertretung der ökonomischen und politischen Interessen der arbeitenden Bevölkerung ein erster Schritt im Prozeß der Organisierung und Integration zur sozialen nationalen Entwicklung eines Landes.

Es ist wichtig zu bemerken, daß die Gewerkschaften in Nigeria nach 1945 und besonders nach der Unabhängigkeitserklärung einen beträchtlichen Anteil an jener Polarisierung der nigerianischen Gesellschaft hatten, die zu politischer Instabilität

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1. S. S. 96 u. 97 in dieser Arbeit.
2. S. S. 207.
3. Es ist auf den frühen Stufen der ökonomischen Entwicklung unerläßlich, daß die Gewerkschaften die reformistischen Kräfte stützen, wo der Widerstand einer traditionellen Gesellschaft überwunden werden muß oder die notwendigen Institutionen abgelöst werden müssen - z.B. archaische Landbesitzerverhältnisse, ein nicht-adäquates Steuersystem oder ein zu reformierendes Erziehungssystem - und ohne Rücksicht auf die Frage hoher oder niedriger Produktivität. Wo der politische Apparat in den Händen einer Minderheit mit althergebrachten Interessen ist, wird die Massen-(Mob)-Demonstration, der nicht-legale Druck auf die Gesellschaft, das wichtigste Moment zur friedlichen Umgestaltung. In diesem Belang ist der Stellenwert der Gewerkschaften eminent. Ihre Grundintention auf eine Veränderung zum Besseren gerichtet ist fortschrittlich. P. Fisher, The Role of the Unions in Less Developed Areas, in: Labour Review Monthly, Sept. 1961, S. 956.
4. Ibid.

und schließlich zum Bürgerkrieg (Biafra 1967-70) führte. Diese Gewerkschaft zerfiel in Radikale (NTUC und LUF) und Gemäßigte (ULF und NWC), ihre politischen Weltanschauungen basierten teilweise auf ethnischen Differenzen und Stammesfehden, teilweise auf regionalen Unterschieden in der Einkommensverteilung. Diese Erfahrung lehrt, daß es Gewerkschaften nur in einem politischen System, das relativ gemäßigt und von starken Polarisierungen frei ist gelingen kann, sich der Politisierung zu entziehen.

In Pakistan wurde bald nach der Unabhängigkeit und Ablösung von Indien 1947 der Begriff einer "demokratischen und egalitären Gesellschaft auf der Grundlage des Islam" zu einer Streitfrage zwischen Orthodoxen und Gemäßigten. Letztere gingen davon aus, daß der Islam im Verbund mit dem Sozialismus eine egalitäre Gesellschaft begründen kann.

Die wirtschaftliche Unterdrückung der arbeitenden Bevölkerung auf der einen Seite, die regionale Ungleichheit auf der anderen, führten nach langen ideologischen Kämpfen zur Entstehung einer neuen politischen Kraft, die zu einer Massenbewegung anschwoll und in den ersten allgemeinen Wahlen des Landes (Dez. 1970) sowohl die traditionellen als auch all übrigen zuvor dominierenden politischen und ökonomischen Gruppen besiegte. Diese Entwicklung brachte ein regionales Denken hervor, das nicht nur auf der ökonomischen Ungleichheit basierte, sondern auch aus politischen Vorstellungen (Sozialismus und Bengali-Nationalismus) hervorging, die mitverantwortlich sind für die Abspaltung des östlichen Landesteils und seine Formierung zum unabhängigen Staat im Dez. 1971.

Es scheint berechtigt anzunehmen, daß, wenn das Existenzrecht und die politische Freiheit der Gewerkschaften gewahrt geblieben wäre, die Gewerkschaftsbewegungen in Nigeria und Pakistan ihr Verantwortungsgefühl derart ausgeprägt hätten, daß den Ländern politische und Arbeitskämpfe erspart geblieben und damit auch die Schaffung eines stabilen politischen Systems

gewährleistet gewesen wäre.[1)]

Dies scheint auch deshalb zuzutreffen, weil dann vermutlich die sozialen und ökonomischen Mißstände nicht stets der jeweils anderen Seite (Gewerkschaften oder regierender Elite) zugeschoben worden wären. Vielleicht führte die Tatsache, daß den Gewerkschaften sehr oft die Existenzrechte und das Recht der Teilnahme an nationalen Entscheidungen streitig gemacht wurde, zu der oppositionellen Haltung, die die Gewerkschaften stets in Krisenzeiten einnahmen. Die politische Ausrichtung der Gewerkschaften reflektiert freilich auch Interessenkonflikte, deren Ursachen im Bereich ethnischer, stammesgeschichtlicher, regionaler und religiöser Verschiedenheit zu suchen sind; dieses Problem wird schwerlich zu lösen sein, solange nicht ein politisches und ökonomisches System gefunden wird, das auf pluralistischen Prinzipien beruht.[2)]

Auf lange Sicht müssen diese Gesellschaften (Nigeria und Pakistan) auf Konsolidierung, verstärkte Kohärenz und Integration der verschiedenen Interessengruppen hinarbeiten, und zwar gezielt im ökonomischen Gesamtinteresse.

Es wird aus dieser Studie ersichtlich, daß die Gewerkschaftsbewegungen trotz aller Bemühungen, ihre Freiheit und ihren Aktionsradius einzugrenzen, an Bedeutung gewonnen haben, wenn nicht qualitativ in ihrem Beitrag zur politischen Stabilität (Nigeria und Pakistan), so doch quantitativ, im Sinne der Bildung eines kleinen, relativ gut organisierten Teils der Arbeiterschaft mit beträchtlicher politischer Stärke in den großen städtischen Regionen. Durch ihren Einfluß auf das wirtschaftliche Verhalten der Regierungen und der Arbeitgeber insbesondere auf dem Gebiet der industriellen Beziehungen und der Mitbestimmung sind sie ein nicht mehr zu übersehender Teil der politischen und ökonomischen Gemeinschaft.

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1. Der Anteil der Gewerkschaften an der Etablierung und Wahrung des Arbeitsfriedens wurde von vielen Autoren hervorgehoben. "Es gibt eine Tendenz zu betrieblichen Konflikten auf den frühen Stufen der Entwicklungspolitik, die aus kurzfristigen Aktionen, Kämpfen, Aufständen, Demonstrationen, gezielten Aktionen, Gewalttätigkeiten und Massenaktionen bestehen." C. Kerr u.a., Industrialism and Industrial Man, (Cambridge 1960), S. 206.
2. Van de Vall, M., Labour Organizations. A Macro- and Micro-Sociological Analysis on a Comparative Basis, (Cambridge 1970), S. 43.

Vom sozialen Standpunkt gesehen liegt eine wesentliche Aufgabe der Gewerkschaften - die definitive Zielsetzung einer Integration der Arbeiterschaft in die zu konstituierende Gesellschaft einmal vorausgesetzt - im Erziehungswesen, der Bekämpfung des Analphabetentums, in der beruflichen Bildung und der Aufklärung über die Vorteile der Zivilisation, einschließlich des Gesundheitswesens und des Wohlfahrtstaates. Die Erfahrung zeigt, daß nur in Nigeria die Gewerkschaften Erziehungs- und Ausbildungsprogramme durchgeführt haben, teils durch eigene Institutionen, teils mit ausländischer Hilfe (ICFTU, DGB, AFL-CIO, Friedrich-Ebert-Stiftung),[1] Diese Gewerkschaft hat damit der Realität und der Dringlichkeit der Bildung mit dem Ziel, nationale Konflikte, die auf kommunalen und regionalen Traditionen beruhen, künftig zu vermeiden, Rechnung getragen.

In Indien wird die politische Führung der Gewerkschaften durch die Parteien ausgebildet. Das ist der Grund, warum Indien eine hervorragende Führung besaß, die sich der Heterogenität der Gesellschaft bewußt war, und warum in Indien demokratische Strukturen sich durchsetzen konnten. Den Gewerkschaften, die ihrerseits für eine ausgeglichene politische Struktur sorgten, und die durch Kontrolle der anti-demokratischen extremen Rechten oder Linken die individuellen Freiheiten wahrten, gebührt hierfür Anerkennung.[2]

Unter den gegenwärtig gegebenen Umständen sind die pakistanischen Gewerkschaften zu arm und zahlenmäßig zu schwach, um sich andere als ehrenamtliche Ausbilder zu leisten oder andere notwendige Voraussetzungen zur Erreichung der oben genannten Ziele schaffen zu können: deshalb bleibt ihre Teilnahme an der sozialen Integration durch Erziehungs- und Ausbildungsprogramme begrenzt.

Ein System sozialer Beziehungen, in dem das Individuum durch Partizipation und Konsultationen ein demokratisches Verhältnis

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1. S. S. 246 dieser Arbeit.
2. S. S. 145-148 und 181-182.

zur Machtstruktur von Industrie und Regierung ausbildet, könnte Spannungen zwischen Arbeitern und Unternehmern und die Unterdrückung individueller Freiheiten vermeiden. Wie man in den meisten entwickelten Ländern sieht, können Gewerkschaften erfolgreich auf dieses Ziel hinarbeiten.[1)]

Die derzeit gültigen Konzepte und Programme, soweit sie die Verantwortung der Regierungen Nigerias und Pakistans für Wohlfahrt und politische und soziale Belange betreffen, sind noch nicht sehr weit fortgeschritten. Dies beeinträchtigt das Rollen- und Selbstverständnis der Gewerkschaften. Eine Gesellschaft, die in ihren wirtschaftlichen und politischen Entscheidungsprozessen primär von Feudalherren und Industrieeignern abhängig ist, erlaubt ohne Verlust an Identität keinen Abbau ihrer Autoritäten. Eine Einschränkung dieser Autoritäten ist jedoch notwendig für die Durchführung sozialer Reformen, wie sie in wichtigen Industriestaaten mit pluralistischer Struktur bereits errungen wurden und diesen Ländern das Gepräge geben.[2)]

Die Beispiele Nigerias und Pakistans belegen, daß der Stellenwert der Gewerkschaften in den Gesellschaften noch sehr gering ist, bzw. diese sich auf einem sehr niedrigen Entwicklungsniveau befinden. Auf Grund dieser Schwäche, die den Gewerkschaften durch Restriktionen des politischen Systems auferlegt sind, reduzieren sich wiederum ihre Einflußmöglichkeiten zur Stabilisierung eines politischen Systems, das durch Tradition und Privilegien gekennzeichnet ist. Die Zukunft der Gewerkschaften wird davon abhängen, ob künftige Regierungen zu Kompromissen mit ihnen bereit sind, anstatt Gründe und Wege zu ihrer Kontrolle und politischen Restriktion zu suchen.

Ökonomische Aspekte

Betrachten wir alle Charakteristika des sozio-politischen Aufbaus dieser Länder, dann können wir Verhalten und Wirkung der Gewerkschaften hinsichtlich Einkommensverteilung, Lohn-

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1. ILO, Consultation and Cooperation between Employers and Workers at the Level of Enterprise, Labour-Management Series, No. 13 (Geneva 1962).
2. Van de Vall, M., Labour Organization, op.cit., S. 43.

struktur, Arbeitsmarktpolitik und Wirtschaftswachstum in ihrem gesamtgesellschaftlichen Rahmen ermessen. Aus der Studie wird ersichtlich, daß in allen drei Ländern der Industriesektor einschließlich Bergbau und Manufaktur sehr klein, teilweise in privater, teils in staatlicher Hand ist, und zum Bruttosozialprodukt nicht mehr als 15 %, in Nigeria nur 8 % beiträgt (seit 1970 ist die Kapitalinvestition auf dem Industriesektor auf Grund der Erdölgewinnung sprunghaft gestiegen). Entsprechend ist nur ein geringer Teil der arbeitenden Bevölkerung in der Industrie beschäftigt (9-10 % in Indien und Pakistan, nur 6 % in Nigeria). Mit 70 % Beschäftigten ist der Agrarsektor der wichtigste Zweig der drei Volkswirtschaften. Es steht außer Zweifel, daß der begrenzte Industriesektor nicht einmal das Arbeitslosenpotential in den großen Städten bewältigen kann (13 % in Indien, zwischen 10-15 % der gesamten arbeitenden Bevölkerung in Nigeria und Pakistan), abgesehen von der unterbeschäftigten Landbevölkerung, von der 45 % in absoluter Armut und unter dem Existenzminimum leben.

Empirische Untersuchungen belegen, daß die Lohnkämpfe der Gewerkschaften auf dieser frühen Industrialisierungsstufe unangenehme Rückwirkungen auf die Beschäftigungslage und die ökonomische Entwicklung allgemein hatten. Die Gründe liegen in der mangelnden Bereitschaft der Gewerkschaften, die eigenen Ansprüche unter Rücksichtnahme auf die allgemeine ökonomische Situation zu formulieren. Die Zahlen der Streiks und verlorenen Arbeitstage belegen dies. Indien verlor von 1961-71 jährlich durchschnittlich über 12 Mio. Arbeitstage in 2.256 Streiks.[1] Pakistan verlor 1 Mio. Arbeitstage in 309 Streiks (1965-74).[2] Dies bedeutet einen gewaltigen Verlust an industrieller Produktion und damit des nationalen Einkommens.

Die Gewerkschaftsführer zeigten keinerlei Verantwortungsgefühl, weder hinsichtlich der in Entwicklungsplänen vorgesehenen Produktionsziele noch gegenüber der Regierung oder dem Management der Betriebe. Offensichtlich sind unter den gegebenen sozio-ökonomischen Bedingungen die Arbeitskämpfe wesentlich politisch motiviert, auf Grund von Versuchen der Machtverschiebung

1. S. Tabelle S. 134.
2. S. Tabelle S. 65.

zwischen verschiedenen Interessengruppen. Man wird nicht darum herumkommen, die Stimme der Gewerkschaften zu hören, wenn man zum Arbeitsfrieden beitragen wird.

Obwohl in allen drei Ländern das reale Wachstum 4-6 % betrug, und der Industriesektor sogar mit 8-13 % wuchs, konnte die jährliche Rate der Absorption von Arbeitskräften im nichtlandwirtschaftlichen Sektor nicht einmal mit dem Bevölkerungswachstum (2,5-3 % jährlich) schritthalten. Es scheint daher, als hätten die schweren und gut ausgerüsteten Industrien sich weiter von kapitalsparenden zu arbeitssparenden Methoden hin bewegt - eine Tendenz, die der Absorbierung von Arbeitslosen gerade entgegenläuft.

Diese Studie zeigt, daß alle drei Länder unter zyklischer und struktureller Arbeitslosigkeit leiden, deren Gründe zu suchen sind in: zu geringer Kapitalbildung, unadäquater Ausrichtung der Investitionen, falschen Allokationsstrategien, Mangel an unternehmerischer Erfahrung, an Ausbildung und Erziehung. Das bedeutet, daß das Beschäftigungsproblem vor allem mit der Modernisierung und Umstrukturierung der gesamten Ökonomie verknüpft ist. Die Gewerkschaften aber sind weder stark genug, die ökonomischen und politischen Mächte entscheidend zu beeinflussen, noch sind sie bisher bereit gewesen, sich konsequent für solche Reformen einzusetzen, da sie sich dem kleinen Teil der industriellen Arbeiter verpflichtet fühlen und nicht der gesamten arbeitenden Bevölkerung der Nation.

Man hat freilich bisher auch den Gewerkschaften gesamtwirtschaftliche Verantwortung verweigert, ja auch auf Industrieebene ist ihr Einfluß auf untergeordnete Probleme wie Arbeitsbedingungen, Prämien, Überstunden und Fragen des täglichen Managements beschränkt. Entscheidung über Qualität und Quantität der Produktion, Partizipation an Profiten, am Management und der Kontrolle der Industrie, Sorge für die soziale Wohlfahrt und Fragen der Sicherheit hat man ihnen vorenthalten. Ohne entsprechende Verantwortung muß aber auch ihr Horizont eng bleiben.

Die vorliegende Arbeit zeigt, daß die Gewerkschaften sich fast ausschließlich auf das Ziel der Maximierung der Löhne für ihre Mitglieder konzentrieren.[1)] Die Statistiken weisen aus,

1. S. Tabelle S. 101 (Pakistan), S. 178 (Indien), S. 242 (Nigeria).

daß gerade diese Strategien die Beschäftigtenzahl reduziert und sich in der Konsequenz auch eine Reduktion der Investitionen auf den weniger produktiven Sektoren wie Landwirtschaft und Export ergibt. In diesem Bereich war das jährliche Wachstum in Indien und Pakistan relativ gering, eine Ausnahme stellt Nigeria mit seinen Erdölexporten dar. Bloße Lohnerhöhungsstrategien reichen also nicht aus, um den Lebensstandard auf gesamtgesellschaftlicher Basis zu heben.

Diese Art der Gewerkschaftsstrategie, der Kampf um mehr Geld trotz schwacher Organization und geringer Einheitlichkeit, hat vor allem zu einer wachsenden Zahl von Arbeitskonflikten und Streiks mit einer hohen Zahl betroffener Arbeiter in Indien und Pakistan geführt, darüberhinaus zu politischer Instabilität in Pakistan und Nigeria. Offensichtlich aber gab es positive Effekte auf die Löhne eher durch Ausübung von politischem Druck auf die Regierungen oder durch deren eigenen Wunsch, den industriellen Frieden zu sichern, als durch gewerkschaftlichen Druck auf das Management im Bereich der Kollektivverhandlungen.

Statistiken über den Anstieg der Lebenshaltungskosten belegen, daß eine sehr geringe Korrelation zwischen Löhnen und Preisen besteht, obwohl beide in den Jahren 1964-74 gestiegen sind.[1] Der Anteil der Gewerkschaften an den Reallohnsteigerungen bleibt in Indien und Pakistan, verglichen mit Nigeria, gering.

Es ist unbestritten, daß in allen drei Ländern eine Steigerung des Investitionsvolumens für ein höheres Wachstum und den Abbau der Arbeitslosenzahlen dringend notwendig ist. Es erscheint relevant, das Problem der strukturellen Unterbeschäftigung in die verschiedenen Wirtschaftsbereiche aufzulösen. In dieser Hinsicht zeitigt jede unverantwortliche Steigerung des Lohnniveaus der Industriearbeiterschaft[2] ohne gleichzeitige Maßnahmen auf dem Agrarsektor eine "Privilegierung" dieses Bereichs, die nicht nur sozialpolitische Spannungen zwischen den beiden Bevölkerungsteilen heraufbeschwört.

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1. Der Preisindex stieg in Indien in den Jahren 1964-74 von 71 auf 165, in Pakistan von 76 auf 164, in Nigeria von 73 auf 141.
2. Vgl. Lewis, W.A., Reflections on Nigeria's Economic Growth, Paris 1967, s. S. 42.

Wie bereits erwähnt, sind die Gewerkschaften vor allem in den großen Städten vertreten, während die Landarbeiterschaft unorganisiert bleibt. Es ist wichtig zu sehen, daß die Gewerkschaften zur Lösung des Beschäftigungsproblems beitragen können, wenn sie die mit geringer Produktivität arbeitenden Bauern in Genossenschaften organisieren. Tatsächlich trägt die gegenwärtige Gewerkschaftsstrategie zu einer verstärkten Landflucht bei. Es braucht hier nicht betont zu werden, daß die Landflucht eine Auflösung der Sozialstruktur auf dem Land bedeutet, sowie zur Bildung von Slums und neuen infrastrukturellen Probleme in Form eines verstärkten Stadt-Land-Gegensatzes beiträgt.

Eine Steigerung der Pro-Kopf-Produktion in der Landwirtschaft ist von außerordentlicher Bedeutung in allen drei Ländern, wozu eine Modernisierung der herrschenden ökonomischen und sozialen Gesetzgebung unumgänglich scheint. Die Gewerkschaften aber sind unter den gegebenen Umständen zu schwach, um zu einer Reorganisation der autoritären Strukturen, durch die eine Integration der Landbevölkerung in den Entwicklungsprozeß gewährleistet wäre, beizutragen.

Die produktiven Ressourcen in den drei Ländern müssen in höchstmöglichem Maße ausgeschöpft werden, damit diese Volkswirtschaften den Sprung in ein anhaltendes Wachstum schaffen. Hauptquelle hierfür sind eigene Privatinvestitionen, Entwicklungsprogramme der Regierungen und ausländische Privatinvestitionen. (In Indien und Pakistan handelt es sich hierbei um Langzeitkredite und ausländische Hilfe, in Nigeria um direkte ausländische Invesititionen.) Ausländische Privatinvestitionen mögen die Militanz der Gewerkschaften bei der Verfolgung ihrer Lohnpolitik und ihre Ignoranz der nationellen Interessen erklären. Der Effekt aber war der Steigerung der nationalen Produktion wenig günstig. Kapitalakkumulation und Attraktion von Auslandsinvestitionen wurden durch Streiks und politische Agitation behindert.

Aus Untersuchungen über die Einkommensverteilung wird ersichtlich, daß der ökonomische Fortschritt hauptsächlich den höheren Schichten zugute kommt, was man mit höherer Spar- und Investitionsneigung zu erklären versucht. Die Erfahrung zeigt

jedoch, wie V.R.K.V. Rao belegte[1], daß der wesentliche Teil des Geldes für Luxusgüter, Landkauf, Besitzanschaffungen, kurzfristige Spekulationen, und nur zu einem geringen Teil auf produktive Investitionen entfällt.

Die These, daß der Modernisierungsprozeß auf dieser niedrigen Stufe die Einkommen zugunsten höherer und mittlerer Gruppen verlagert, wird durch diese Arbeit belegt.[2] Ein anderer Faktor, der auf die ungleiche Einkommensverteilung einwirkt - neben dem Druck der Gewerkschaften - ist der akute Mangel an qualifizierten Fachkräften wie Technikern, Ingenieuren, Facharbeitern und Ausbildungspersonal. Dies zeigt sich besonders in Phasen beschleunigten Wachstums.

Es ist bemerkenswert, daß der Schwerpunkt der Gewerkschaftspolitik in Hinblick auf die Einkommensverteilung die Forderung nach Nominallohnerhöhungen und gleichzeitigen Preissenkungen für Güter und Dienstleistungen ist, wobei letztere der Gesamtbevölkerung zugutekommen. Zum Beispiel subventionierten die Regierungen von Zeit zu Zeit Importwaren wie Getreide oder gewährten bestimmte Arten von Prämien, Preisen oder Sondergenehmigungen. Die Erfahrung zeigt, daß diese Maßnahmen ein wenig zur Besserung der Einkommenslage der armen Bevölkerungsteile beigetragen haben. Um wieviel mehr aber die organisierte Arbeiterschaft von der Politik der Gewerkschaften profitiert, mag die Tatsache beweisen, daß ihr Einkommen zwei bis dreimal höher liegt als das der nicht organisierten Landbevölkerung.

Insgesamt wird aus dieser Analyse ersichtlich, daß die Gewerkschaften weniger an der Wohlfahrt und am Fortschritt der Gesamtgesellschaft interessiert sind, als vielmehr an den Interessen einer relativ kleinen Schicht von Industriearbeitern. Sie betrachten sich als eine politische Kraft, üben politischen Druck aus oder gebrauchen agitative und militante Methoden ohne sich sonderlich um die Folgen für die politische und ökonomische Gesamtsituation zu kümmern. Dieses wenig verantwortungsbewußte

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1. Rao, V.R.K.V., Redistribution of Income and Economic Growth in Underdeveloped Countries, in: Income and Wealth Series, X. London 1964, S. 307-333.
2. Vgl. auch S. Kuznets, Economic Growth and Income Equality, in: American Economic Review, March 1955, S. 18-20, sowie G. Myrdal, Asian Drama, New York, Pantheon Press, 1968, S. 746, Vol. II.

Handeln geht zum Teil auf den Mangel an ökonomisch geschulten und wohlausgebildeten Funktionären zurück. Der tiefere Grund aber ist darin zu sehen, daß die Arbeitervertreter im Rahmen des soziopolitischen Systems weder auf Industrieebene noch auf der nationalen ein wirklich so zu nennendes Partizipationsrecht genießen. Ohne tatsächliche Verantwortung bildet sich auch Verantwortungsbewußtsein nur schwer aus. Die Entscheidungsgewalt aber ruht weitgehend in den Händen einer kleinen herrschenden Elite. Dies ist besonders in Nigeria und Pakistan der Fall. In Indien dagegen sind die Gewerkschaften besser etabliert: sie haben beträchtlichen politischen und ökonomischen Einfluß, partizipieren an den Entscheidungen der Regierung und verhalten sich entsprechend weniger berufsborniert als die Gewerkschaften der beiden anderen untersuchten Länder.

7.1. Schlußbemerkungen

Die Frage nach alternativen Handlungsvorschlägen für eine effiziente Gewerkschaftspolitik kann hiermit beantwortet werden. Ihre Funktionsfähigkeit hängt entscheidend von einem geeigneten Wirtschafts- und politischen System ab.

Gegenwärtig gibt es zwei Wirtschaftssysteme, die "freie Marktwirtschaft"[1] und die "Planwirtschaft"[2]. Die Erfahrung lehrt, daß "Marktwirtschaft" einen hohen Informationsgrad, ein gut ausgebautes Ausbildungssystem und viele sehr gut organisierte sozialpolitische Institutionen und ökonomischen Organisationen erfordert, Voraussetzungen, die diese Länder nicht erfüllen.

"Planwirtschaft" andererseits, in der alle wichtigen und weniger wichtigen politischen Entscheidungen von den Regierungen getroffen und die ökonomischen Pläne zentral erstellt werden, wo ferner der alltägliche Ablauf des Wirtschaftslebens den Regierungen unterstellt ist, kann nur funktionieren, wenn die Regierungen auch Löhne und Preise festsetzen. Dieser Wirtschaftstyp wäre in hohem Maße abhängig von der Übermittlung einer

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1. S. Gahlen, B. u.a., Volkswirtschaftslehre, Eine problemorientierte Einführung. München 1971; s. S. 15-20, 31-34.
2. Ibid., S. 31-34.

großen Zahl an Informationen, was unter den gegebenen Voraussetzungen ebenfalls in diesen Ländern unmöglich ist.

Keines der Länder in dieser Studie weist ein System in der genannten Form auf, vielmehr haben alle ein gemischtes System mit privaten und öffentlichen Unternehmen, mit Unterschieden im Grad der Kontrolle und Expansion des öffentlichen Sektors. Dennoch arbeiten die Wirtschaftssysteme nicht sehr effektiv. Es ist allgemein bekannt, daß die Konzentration von Privatbesitz und wirtschaftlicher Macht in wenigen Händen, und geringes Einkommen, Korruption, "Vetternwirtschaft", falsche Allokationen und ökonomische Ineffizienz vorherrschen. Dabei ist die Allokations- und Verteilungspolitik sehr wichtig zur Beseitigung der Massenarmut und Unterbeschäftigung. Aber auch die nicht-ökonomischen Effekte, die die politische Führung herbeiführt, sind von nicht nur kurzfristiger Bedeutung für jede sozio-politische und ökonomische Entwicklung der Gesellschaft.

Ein flexibles Wirtschaftssystem, in dem Planung und Markt als Steuerungs- bzw. Koordinationsformen den wechselnden Situationen entsprechend eingesetzt werden können, wäre das angemessene Modell für diese Länder. Solch ein System wäre besonders dort von Wert, wo eine radikale sozio-politische Umwälzung (der "revolutionäre Weg") weder erforderlich noch wünschenswert scheint, sondern wo trotz staatlicher Intervention die Prinzipien individueller Wahl und Entfaltung garantiert bleiben sollen (der "evolutionäre Weg").[1)]

Jede Wirtschaftspolitik ist bedingt durch den vorgegebenen sozialen und wirtschaftlichen Rahmen, in dem sie stattfindet. Die spezifischen ökonomischen Probleme der Entwicklungsländer, ihr Weg zum anhaltenden Wachstum, machen eine kontinuierliche Planung unverzichtbar.

Bei der Planung kommet es auf mehr an als auf die simplen

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1. S. Gahlen, B. u.a., Volkswirtschaftslehre, op.cit., S. 287. Zum gleichen Thema vgl. auch E. Tuchtfeldt, Alternative Strategien der Entwicklungspolitik, in: S. Klatt und M. Willms, (Hrsg) Strukturwandel und makroökonomische Steuerung. Festschrift für F. Voigt. Berlin 1975, S. 205 f.

quantitativen Relationen, wie etwa die, daß die Einkommen in einer bestimmten Zeit verdoppelt werden müßten, wenn das BSP um eine bestimmte Rate wachsen soll. Würden solche Ziele dogmatischer verfolgt, als es in den drei Ländern der Fall war, so wären heftige Kämpfe zwischen Regionen und Bevölkerungsschichten die Folge. Wichtig ist jedoch vor allem ein grundlegender Konsens aller relevanten sozialen Gruppen (Gewerkschaften, Genossenschaften, Arbeitgeber, Regierungen) über die ökonomische Ausrichtung eines Landes; dieser Konsens ist ohne eine wirkliche Partizipation dieser Gruppen an der Planung, wie sie R. Becker vorschlägt,nicht zu erreichen. Bei einem solchen Typ von Planung haben alle Interessengruppen die Möglichkeit, Informationen auszutauschen und Einfluß zu nehmen, so daß fundierte Entscheidungen getroffen werden können, (Ex-ante-Koordination),[1] ohne daß eine Gruppe ein Diktat ausübt oder Eigeninteressen durchsetzt. Weiterhin eröffnet diese Koordinationsweise die Gelegenheit zur Mitbestimmung in der Planvorbereitung, sodaß regionale und sektorale Konflikte in Zukunft vermieden werden könnten.

Die Effizienz der Planung hängt ab von Flexibilität, Anpassungsfähigkeit und Produktivität der Wirtschaft. Die Mobilisierung und effektive Allokation möglichst vieler Ressourcen ist aber, wie W.A. Lewis bemerkte, abhängig davon, inwieweit ein Bündel politischer Maßnahmen dazu beiträgt, private Personen zur Investition ihrer Zeit und ihrer Ressourcen in produktive Unternehmungen zu bewegen.[2]

Wo es um Wachstum geht, kommt es darauf an, daß die Planer unökonomische Entscheidungen vermeiden - und es scheint, daß dies möglich ist, wenn sich die Entscheidungen mehr an regionalen Bedürfnissen orientieren. Dazu ist Dezentralisierung ein geeigneter Weg.

Entwicklungsländer vernachlässigen oft die Bedeutung der Konkurrenz. Für die Entwicklung ihres industriellen Sektors,

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1. R. Becker, Wandel der ordnungspolitischen Vorstellungen in der Bundesrepublik Deutschland, in: Wirtschaftsdienst, 1977/X, S. 509.
2. Lewis, W.A., Development Planning, op.cit., S. 23.

der vom internationalen Handel abhängt, ist es erforderlich unnötige Handelsbeschränkungen, Protektionismus, abzubauen und Konkurrenz zu ermutigen. Maßnahmen in dieser Richtung können zur Erhöhung der Wachstumsraten beitragen, die Beschäftigung vermehren und sich auf die allgemeine wirtschaftliche Entwicklung günstig auswirken.[1)]

Der Planungsablauf muß mit Bedürfnissen und Wünschen sowohl der Konsumenten als auch der Produzenten koordiniert sein. Daneben müßten die Planungsbehörden Entscheidungspriorität haben, und eine höhere Flexibilität muß ihnen ermöglichen, schnell auf die wechselnden Anforderungen der Wirtschaft zu reagieren. Wie K. Schiller bemerkte, hat der Markt- und Preismechanismus in den Entwicklungsländern die wichtige Funktion, als Indikator der Knappheit, als Instrument der richtigen Allokation, und als Transmissionsriemen für richtige Entscheidungen und adäquate Reaktionen des Staates zu dienen.[2)]

Um dem wichtigen Problem der Arbeitslosigkeit, der Einkommensverteilung und der ungleichmäßigen Wirtschaftsentwicklung zu begegnen, sollten, wie W.A. Lewis meint,[3)] folgende Prioritäten gesetzt werden:

- sofortige Steigerung der Produktivität in der Landwirtschaft
- Ausrichtung der Löhne für ungelernte Arbeiter bei 50 % über dem durchschnittlichen Einkommen der Landbevölkerung

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1. Eine Reihe ost- und südostasiatischer Länder - darunter Hongkong, Südkorea, Taiwan und Singapur - weisen beträchtliche Fortschritte im Wirtschaftswachstum, in Richtung auf Vollbeschäftigung und eine zufriedenstellende Einkommensverteilung auf. Diese Erfolge sind zumindest teilweise ihrer vergleichsweise wettbewerbs- und investitionsfreundlichen Politik geschuldet. Es gibt keine einzige gute Beurteilung der Politik und der Zielvorstellungen dieser Regierungen. Vgl. jedoch I. Little, T. Scitovsky und M. Scott, Industry and Trade in Some Developing Countries, London 1970, Kap. 7.
2. Schiller, K., Der Ökonom und die Gesellschaft, Stuttgart 1964, S. 215.
3. Lewis, W.A., Development Planning, op.cit. S. 94-95.

- Erhöhung der Absolventenzahlen aus Schulen und Universitäten, um die Einkommensunterschiede zwischen Mittel- und unteren Schichten auszugleichen
- Besteuereung der Profite der Privatwirtschaft in solchem Maße, wie sie es verkraften kann, ohne daß ihre Investition unter die Rate von 15 % des Nationaleinkommens sinkt.

Im Sinne regionaler und nationaler Integration, Aktivierung und richtiger Allokation der ungenutzten Ressourcen sollte die Wirtschaftspolitik flexibel gestaltet sein. Dem Ziel ökonomisches Wachstum ist Priorität einzuräumen. Es ist zu berücksichtigen, daß in Entwicklungsgesellschaften Interessenkonflikte bestehen, die in absehbarer Zeit keine noch so gute Politik auszugleichen vermag.[1)] Die Interessenkonflikte haben einerseits ihre Ursache in ethnischen, sprachlichen und religiösen Unterschieden, andererseits in den Gegensätzen zwischen Arbeitern und Bauern, Produzenten und Importeuren, Arbeitergewerkschaften und Unternehmerorganisationen. In sehr heterogenen Gesellschaften mit mehreren ungefähr gleich starken Interessengruppen ist die Koordination, das Recht auf Mitbestimmung resp. die Pflicht zu gegenseitiger Konsultation im Interesse einer demokratischen sozioökonomischen Entwicklung in hohem Grade wünschenswert. Es besteht allgemeine Übereinstimmung darüber, daß keine Diktatur (ob militärisch oder proletarisch) zur Lösung der Probleme beitragen kann.

Innerhalb des gegebenen, unvollkommenen Rahmens der sozialpolitischen und ökonomischen Struktur dieser Länder wird es den Gewerkschaften kaum möglich sein, einen effektiven Beitrag zu leisten, wenn folgende Bedingungen nicht erfüllt sind:

a) Freie und effektive Gewerkschaftsarbeit erfordert eine demokratische Ordnung sowohl in Bezug auf die Gesellschaft als auch in Bezug auf den organisatorischen Aufbau der Gewerkschaften selbst.

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1. Herder-Dorneich, Ph., Wirtschaftsordnungen. Pluralistische und dynamische Ordnungspolitik, Berlin 1974, s. S. 36-41.

b) Damit die Gewerkschaften eine wirksame Rolle in der Gesellschaft spielen können, ist es erforderlich, die Zersplitterung und gegenseitige Bekämpfung zu überwinden und eine einheitliche starke Organisation aufzubauen.
c) Die Gewerkschaften müssen aus ihrer reinen Oppositionsrolle herausfinden. Sie müssen Bereitschaft zeigen, in konstruktiver Zusammenarbeit mit dem Staat und mit den Unternehmen die gesamtwirtschaftlichen Probleme zu bewältigen.
d) Die Gewerkschaften sollten ihr Hauptaugenmerk auf die Infrastruktur richten. Gewerkschaftsarbeit sollte nicht nur darin bestehen, die Interessen der Industriearbeiter, die eine Minderheit darstellen, zu vertreten. Aufgaben der Gewerkschaften in diesen Ländern sollte es vielmehr sein, auch die große Maße der "rural poor", der Landarbeiter, zu organisieren.
e) In diesem Sinne ist als wichtigstes Instrument der Gewerkschaftspolitik die Lohnpolitik zu sehen, indem darauf hingewirkt wird, daß die Einkommensdisparitäten der in den verschiedenen Wirtschaftssektoren Beschäftigten verschwinden.
f) Die gesamte arbeitende Bevölkerung muß in den gesellschaftlichen Entwicklungsprozeß einbezogen werden. Dies wird durch Bildung, politische Ausbildung und Aufklärungsarbeit der Gewerkschaften erreicht.

8. Statistical appendix

TABLE VIII (continuing from the previous page)

	Year	Gross domestic product	Agriculture	Industrial activity		Construction	Whole-sale	Transport
				Total	Manu-facturing			
PAKISTAN	1960	36 717,0	50	10	9	2	11	6
	1963	21 864,0	43	17	16	4	14	6
	1970	50 297,0	32	17	15	4	13	6
	1972	66 514,9	33	16	14	3	13	6
	1973	15 723,9	33	16	14	4	14	7
NIGERIA	1960	2 399,8	59	6	5	4	12	4
	1963	2 945,6	57	8	6	4	12	5
	1970	5 696,2	45	17	7	5	12	3
	1972	7 681,9	40	23	7	7	11	3
	1973	8 900,5	35	30	7	7	10	3

Source: Statistical Yearbook 1975 (United Nations, New York, 1976)

TABLE IX

WAGES IN MANUFACTURING

Date	INDIA Month	PAKISTAN Month	NIGERIA Day
	Rupees	Rupees	R.T.
1966	176,0	127,8	.
1967	189,2	117,9	.
1968	204,1	129,6	.
1969	215,9	155,6	.
1970	227,2	152,7	.
1971	235,2	150,6	.
1972	250,7	160,3	1.30
1973	260,3	.	1.42
1974	...	.	1.56
1975	...	.	1.77

Source: Year Book of Labour Statistics 1976, I.L.O., Geneva, pp. 625, 626 and 622 respectively.

TABLE VII

NATIONAL INCOME AND GROSS DOMESTIC PRODUCT

		1960	1963	1967	1968	1969	1970	1971	1972	1973	1974
		(thousand millions of national currency units)									
INDIA (rupee)	A	...	185,4	305,9	315,9	350,3	381,5	406,7	441,7	...	....
	B	141,0	196,6	324,0	335,5	372,1	405,3	432,5	470,2	525,3	....
PAKISTAN[1]		36,7	44,2	65,3	71,3	47,3	50,3	53,8	66,5	85,7	
NIGERIA	A	2 390	2 912	2 869	2 802	3 682	...	...	...	.....	....
	B	2 400	2 946	2 950	2 878	3 792	5 696	7 177	7 682	8 900	....

A = National income in market prices
B = Gross domestic product in purchaser's values

Source: Statistical Year Book 1975, UN, New York

1. prior to 1969, data for Bangladesh are included with data for Pakistan.

TABLE VIII

GROSS DOMESTIC PRODUCT BY KIND OF ECONOMIC ACTIVITY

	Year	Gross domestic product	Agriculture	Industrial activity		Construction	Wholesale	Transport
				Total	Manu-facturing			
INDIA (1000 mill. rupees)	1960	150.2	47	15	13	4	9	5
	1963	196,6	44	16	14	4	9	5
	1970	405,3	44	15	13	5	9	5
	1971	432,5	42	15	13	5	9	5

continuing on next page

TABLE V

OUTPUT AND EMPLOYMENT IN MANUFACTURING

	Statistical units	Persons engaged	Employees	Wages a. salaries	Value added	Value of gross output
	Number	1 000	1 000	Millions of national currency units		
INDIA (rupee)						
1969-70	59 775	4 637	.....	13 783	29 872	114 481
1970-71	64 165	4 803	.....	15 538	33 374	130 261
PAKISTAN (rupee)						
1969-70	3 587	...	418,4	988	4 811	11 801
1970-71	3 549	...	427,4	1 138	5 263	13 338
NIGERIA (pound)						
1969	638	103,7	102,5	26,3	145,1	318,1
1970	704	129,2	128,5	34,5	197,1	423,9
1971	870	148,6	145,4	44,7	221,2	477,1
1972	1 057	172,0	169,4	53,4	247,6	528,2

Source: Statistical Year Book 1975, pp. 227, 228 and 223 respectively.

TABLE VI

COMPARISONS

Country	Area sq.km.	Mid-1973 pop. '000	Mid-1973 pop. density	Average pop. increase %	Life expectancy	1972 GNP	1972 GNP per head
INDIA	3,280,483	574,216	175/sq.km.	2.1	47,2	61,940	110
PAKISTAN	803,943	66,749	83	3.6	47,4	8,800	140
NIGERIA	923,768	59,607	65	2.7	38,5	9,350	160
		Mid-1974 pop.	Mid-1974 pop. density			1974 GNP	1974 GNP per head
INDIA		586,056	179			78,990	130
PAKISTAN		68,214	85	3.3		8,770	130
NIGERIA		61,270	66			17,830	240

Sources: European Year Book 1976, 1977

TABLE III (continuing from the previous page)

PAKISTAN	1971/72	1972/73	1973/74	1974/75
Food, beverages and tobacco	109,6	121,2	163,3	208,7
Clothing	109,3	121,7	176,0	219,4
Housing and household expenditure	110,2	115,6	142,1	178,5
Miscellaneous	116,0	125,7	146,5	186,1
All items	110,7	121,4	157,8	200,0

NIGERIA	1969	1971	1972	1973	1974	1975
Food	95,0	101,5	108,0	131,0	171,0	178,5
Fuel and light	95,8	106,6	115,0	126,9	170,1	187,4
Clothing	93,7	113,2	122,6	140,9	189,3	198,7
Rent	97,0	101,5	104,5	109,1	113,6	122,7
All items	95,1	103,3	109,8	128,3	165,2	174,5

Source: The Far East and Australasia 1977-78, p. 413, European Yearbook 1977, Vol. II, pp 1263 and 1234 respectively.

TABLE IV

UNEMPLOYMENT. GENERAL LEVEL OF UNEMPLOYMENT

(thousands)

	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
INDIA	2 609,8	2 706,3	2 902,8	3 203,9	3 725,7	4 602,3	5 927,6	7 713,8	8 378,3	8 917,7
PAKISTAN	179,6	184,1	181,3	215,6	228,8	188,4	157,4	167,6	189,6	205,2
NIGERIA	26,6	20,1	12,9	12,2	13,5	14,4	15,4	19,1	20,5	20,0

Source: Year Book of Labour Statistics, 1975, pp. 444, 446.

TABLE II

ECONOMICALLY ACTIVE POPULATION

	INDIA	PAKISTAN	NIGERIA
Agriculture, hunting, forestry, fishing	129,963,000	10,515,285	10,201,328
Mining and quarrying	922,800	79,369	13,856
Manufacturing (incl. repair services)	17,067,500	2,222,111	
Electricity, gas and water supply	532,400	65,096	
Construction	2,215,300	610,374	
Trade, restaurants and hotels	8,748,300	1,745,714	
Transport, storage and communications	4,401,200	861,981	279,255
Finance, insurance, property etc.	1,289,900	149,638	
Community, social and personal services	14,017,900	1,285,464	
Other activities	1,215,100	572,432	891,415
Sales			2,806,071
Crafts, production Process, Labouring			2,190,073
Services, sport, recreation			870,884
Professional, technical etc.			440,613
Clerical			228,018

Sources: European Year Book 1977, Vol.II, pp. 406, 1259 and 1229 respectively.

TABLE III

COST OF LIVING (Consumer Price Index for industrial workers)

INDIA	1969	1971	1972	1973	1974	1975
Food	95,0	101,5	108,0	131,0	171,0	178,5
Fuel and light	95,8	106,6	115,0	126,9	170,1	187,4
Clothing	93,7	113,2	122,6	140,9	189,3	198,7
Rent	97,0	101,5	104,5	109,1	113,6	122,7
All items	95,1	103,3	109,8	128,3	165,2	174,5

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TABLE I

AREA AND POPULATION

Statistical Survey

INDIA

Area	March 1st 1961	Census population April 1st 1971			Estimated population		Density per sq.km.
		Males	Females	Total	1971	1972	1972
3,280,483 sq.qm	439,072,582	283,936,614	264.013,195	547,949,809	551,827,000	563,494,000	171,8
PAKISTAN	Febr. 1st 1961	Sept.16th 1972			1974	1975	
310,403 sq. m	42, 978,261	34,417,000	30,475,000	64,892,000	68,214,000	70,260,000	
NIGERIA	Nov.1963	Nov. 1973					
356,669 sq.qm	55,670,052			79,758,969			

Sources: The Far East and Australasia, 1976-77, European Year Book 1977, p. 1258 a. 1228 resp.

TABLE X

WAGES IN AGRICULTURE

Date	INDIA Agricultural workers rupees	PAKISTAN General farm hands rupees	NIGERIA naira
1966	2,20	2,17	..
1967	2,47	2,48	..
1968	2,52	2,49	..
1969	2,63	2,48	..
1970	2,87	3,00	..
1971	2,94	3,15	..
1972	2,90	3,30	0,88
1973	2,93	5,75	0,89
1974	3,28	7,88	1.10
1975	3,68	..	1.58

Source: Year Book of Labour Statistics, I.L.O. Geneva, 1975, pp 748, 749 and 743 respectively.

TABLE XI

PLANS AND ESTIMATE OF UNEMPLOYMENT

	First Plan (1951-56)	Second Plan (1956-61)	Third Plan (1961-66)	Annual Plans (1966-69)	Fourth Plan (1969-74)
1. Addition to labour force during plan	90	118	170	140	230
2. Backlog of unemploym.	33	53	71	96	90-100
3. Total (1+2)	123	171	241	236	320-330
4. Additional jobs	70	100	145	4-14	185-190
5. Backlog of unemploym. at the end of plan	53	71	96	222-232	135-140

Source: Reserve Bank of India Bulletin, Dec. 1969

Note: 1 Million = 10 Lakhs

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Dec.	1973	Vol.	XXI	No.	104
June	1974	Vol.	XXII	No.	108
Dec.	1974	Vol.	XXII	No.	114
July	1975	Vol.	XXII	No.	120
August	1975	Vol.	XXIII	No.	121
March	1976	Vol.	XXIV	No.	127
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L e b e n s l a u f

Am 6. November 1945 wurde ich, Chaudhry Abdul Hafeez, als Sohn des Grundschullehrers Chaudhry Abdul Majid und seiner Ehefrau Zubeada Begum, in Lahore, Pakistan geboren.
Nach dem Besuch der Grundschule in Village Kir Kallan von 1951 bis 1956 trat ich in die Islamia High School Sheranwala/ Lahore ein; dort bestand ich 1961 die High School Abschlußprüfung. Danach ging ich bis 1963 nach Karachi, um meine Collegeausbildung fortzusetzen. 1963 begann mein Studium am Faiz-a-Am Inter College/Karachi, welches ich mit dem 'Higher Secondary Certificate' Examen abschloß.
Von 1965 bis 1967 studierte ich an dem F.C. College der Punjab Universität in Lahore. 1967 legte ich das Examen ab und erhielt den akademischen Grad "Bachelor of Arts". Hiernach studierte ich bis 1969 an der gleichen Universität und erwarb 1969 den Grad "Master of Arts" in Volkswirtschaft (M.A. Economics).
Nach einer einjährigen Tätigkeit als Tutor für Volkswirtschaft am Pak Standard College 1970, ging ich in die Bundesrepublik Deutschland und anschließend für kurze Zeit in die USA, um mein Auslandsstudium fortzusetzen.
Im Wintersemester 1971-72 nahm ich an einem Sprachkursus an der Technischen Universität Berlin teil, welchen ich erfolgreich beendete. Im Wintersemester 1972-73 wurde ich zum Studium an der Freien Universität an der Wirtschaftswissenschaftlichen Fakultät zugelassen.
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